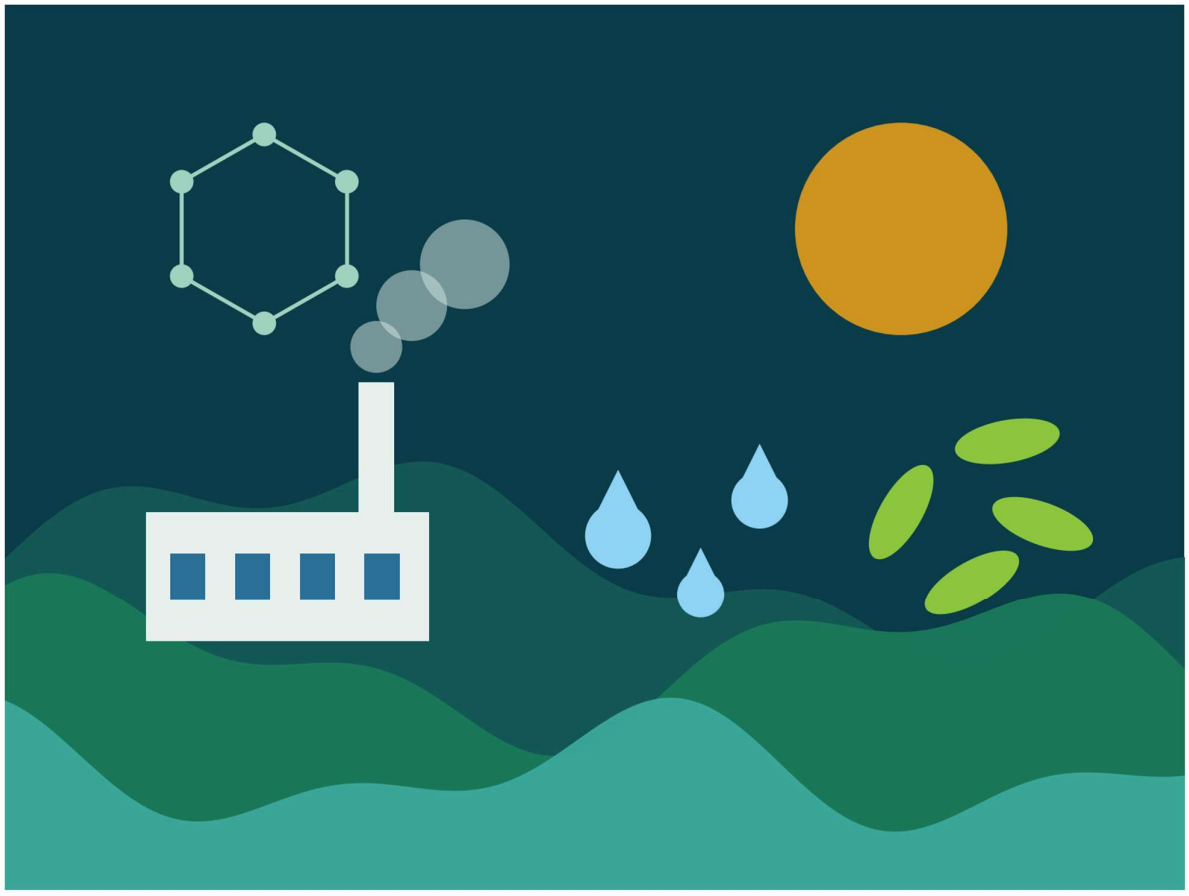
VIRUPAKSHA™

INTEGRATED ANNUAL SUSTAINABILITY REPORT

FY 2025-26

Responsible chemistry for healthier lives



Prepared with reference to GRI Standards 2021 · SEBI BRSR · UN SDGs · EcoVadis · ISO · CDP · SMETA

Virupaksha Organics Limited · Corporate Office: Plot B1 & B2, IDA Gandhinagar, Kukatpally, Hyderabad 500037, Telangana · www.virupaksha.com

Document control

Field	Details
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Document no.	VOL/ESG/IASR/2026/01
Revision	Rev 00
Date	05-10-2026
Reporting period	1 April 2025 – 31 March 2026
Boundary	Virupaksha Organics Limited – Corporate Office and Units I–VI
Prepared by	**K. Sandeep Reddy, Director / Dy. CEO**
Reviewed & approved by	**G. Chandra Mouliswar Reddy, Managing Director**
Distribution	Board of Directors; customers; investors; EcoVadis, CDP and Sedex platforms; www.virupaksha.com

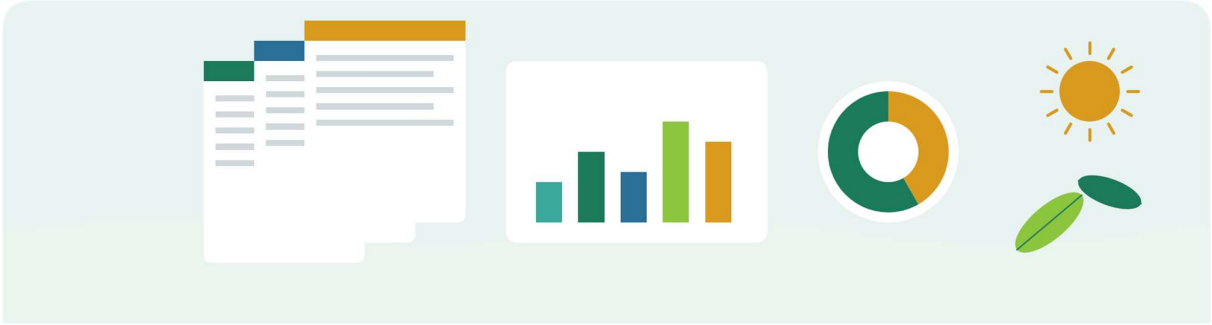
Rev	Date	Description	Prepared by	Approved by
00	05-10-2026	First issue	**K. Sandeep Reddy**	**G. Chandra Mouliswar Reddy**

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1. About this report



This is the first Integrated Annual Sustainability Report of Virupaksha Organics Limited (VOL). It brings together, in one place, the environmental, social, governance and economic performance that VOL has reported during FY 2025-26 through its separate ESG reports, so that customers, investors, regulators, employees and communities can see the whole picture and trace every figure back to its source.

1.1 Reporting period, boundary and scope

Item	Basis used in this report
Reporting period	1 April 2025 to 31 March 2026 (FY 2025-26). Events up to the date of this report are noted where relevant.
Reporting cycle	Annual. This is the first integrated report; future reports will follow each financial year.
Organisational boundary	Virupaksha Organics Limited, standalone: Corporate Office (Hyderabad) and manufacturing Units I–VI in Telangana and Karnataka. Operational control approach for GHG emissions.
Subsidiaries	Not included unless stated.
Currency and units	Indian Rupees (₹ mn = million; ₹ lakh = 100,000; ₹ crore = 10 million). Metric units; tCO_2e for greenhouse gases; KL for water; GJ for energy.
Restatements	None. FY 2025-26 is the base year for GHG emissions, water and waste targets.
External assurance	The report as a whole has not been externally assured. For the GHG inventory, a verification package was submitted to QRO Certifications LLP on 06-10-2026 for limited assurance under ISO 14064-3:2019, and the verification statement is awaited. VOL will evaluate limited assurance of other key ESG indicators.
Contact	Director / Dy. CEO (ESG & Sustainability), Virupaksha Organics Limited · info@virupaksha.com · +91 40 23075816

1.2 Frameworks and standards

The report has been prepared **with reference to the GRI Standards 2021** and is structured so that each disclosure can be read against the frameworks VOL reports to. Index tables in the annexures link each requirement to the relevant section.

Framework	How it is applied	Index
GRI Standards 2021	With reference to GRI 1, GRI 2, GRI 3 and the topic standards for VOL's material topics	Annexure B
SEBI BRSR (incl. BRSR Core)	Nine NGRBC principles, essential and leadership indicators; voluntary disclosure ahead of listing	Annexure C
UN Sustainable Development Goals	All 17 SDGs mapped: 9 Priority and 8 Contributing, with KPIs and status	Annexure D
EcoVadis	Four themes – Environment, Labour & Human Rights, Ethics, Sustainable Procurement – and 21 criteria	Annexure E
ISO management systems	ISO 9001, 14001, 45001, 50001, 27001 and 37001; ISO 14064-1 for the GHG inventory	Annexure F
CDP	Climate Change and Water Security questionnaires (2025 scores: Climate change B, Water security B-); TCFD-aligned risk register	Annexure G
SMETA (Sedex)	Labour standards, health and safety, environment and business ethics pillars	Annexure H
ESRS / EFRAG IG 1	Method for the double materiality assessment	Section 6

1.3 How the report was prepared

Data were compiled from VOL's FY 2025-26 records and reports, listed below. Figures are reported as recorded by the responsible functions; calculated values (intensities, percentages) were recomputed for this report. Where a figure depends on an estimate, the basis is given in Annexure I.

Source report or record (FY 2025-26)	Used for
Annual Report and audited financial statements	Economic performance, governance, CSR
GHG Inventory Report FY 2025-26, ISO 14064-1 (VOL/ESG/GHG/INV/2025-26, Rev 00) and GHG verification package (QRO Certifications LLP, Rev-01)	Energy and climate
CDP 2025 score report – Climate change and Water security	Climate and water disclosure
Environmental Aspect & Impact registers and HIRA registers, Units I–VI, with dashboard (VOL/EHS/AIR-HIRA-DB, Rev 00)	Environmental aspects, health and safety risks
Corporate SOP Manual (VOL-CSOP-MAN-01, Rev 00, effective 01-12-2025)	Management approach, procedures
Integrated Water Audit Report (Rev 00)	Water and effluent
Air Emissions Inventory (EcoVadis ENV6341) and environmental monitoring reports	Air quality
Hazardous waste returns (Form-IV) and authorisations	Waste
Payroll and HR records (March 2026) and HR dashboard	Workforce, diversity, pay, labour standards
Training records and committee minutes (Units I and II, Corporate Office)	Training, social dialogue
Annual Business Ethics Report; Labour & Human Rights Report	Ethics, human rights, health and safety

Source report or record (FY 2025-26)	Used for
KPI Performance Dashboard and SDG Performance Dashboard (Rev 00)	KPIs, targets, SDG status
Double Materiality Assessment	Material topics
Sustainable Procurement document kit (VOL-SP series)	Supply chain
CDP Climate Change and Water Security risk register	Climate and water risks
CSR Annual Report	Community investment

2. Message from the Managing Director



Dear stakeholders,

FY 2025-26 was a year of growth and of preparation for Virupaksha. Our revenue reached ₹9,256 million, we filed our Draft Red Herring Prospectus with SEBI, and our customers – many of them global pharmaceutical companies – asked more of us than ever on environment, safety, ethics and the supply chain. This report is our answer: one document that sets out how we make our active pharmaceutical ingredients and intermediates, what that costs the environment and society, and what we are doing about it.

This year we measured our full carbon footprint for the first time across all 15 Scope 3 categories, giving us a base year of 127,749 tCO_2e. Fifteen per cent of our energy now comes from renewable sources, and with 10,000 MWh of renewable energy certificates, 46% of our electricity is renewable. We have signed a commitment letter to set science-based targets, and our draft targets will go to the Board this year. CDP scored our 2025 disclosure B for climate change and B- for water security.

Water is precious in the industrial areas around Hyderabad and Bidar. All six of our manufacturing units are covered by zero liquid discharge, our freshwater withdrawal stays within the limits set by the Pollution Control Boards, and we recycled 45.5% of the water we drew. Our next goal is 60%.

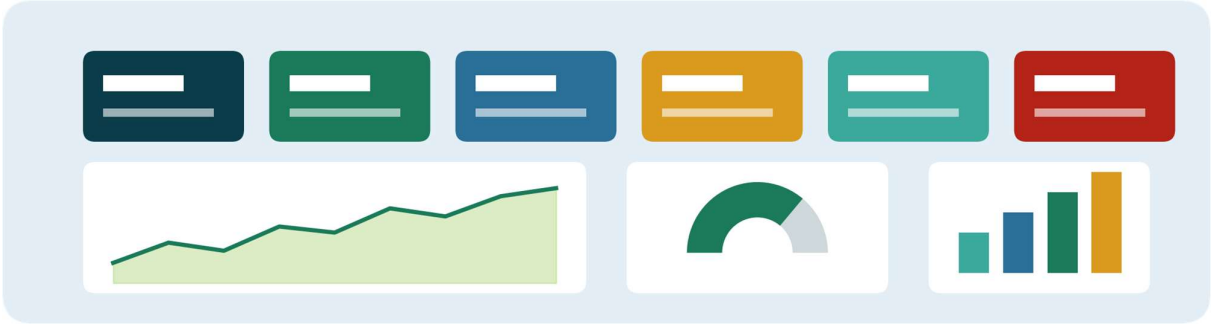
Nothing matters more than our people going home safe. We recorded zero lost-time injuries across more than 36 lakh hours worked, and all our sites hold ISO 45001 certification. We delivered 3,269 training attendances, and from this year every employee will have an individual development plan. We know we must do more on gender balance – women are 10.5% of our on-roll workforce – and we have set out how we will widen our hiring and promotion.

We hold ourselves to the highest standards of integrity. VOL is certified to ISO 37001 for anti-bribery management; every employee completed ethics and anti-bribery training, and there were no cases of corruption. Through our CSR programme we invested ₹164.31 lakh, more than our legal obligation, in 29 projects for education, rural development, health and nutrition near our plants.

I thank our employees, customers, suppliers and communities for their trust. We welcome your feedback on this report.

G. Chandra Mouliswar Reddy
Managing Director, Virupaksha Organics Limited

3. FY 2025-26 at a glance



The dashboard below summarises VOL's headline performance. Each value is explained in the chapter that covers it.



Figure 1: ESG performance dashboard, FY 2025-26

3.1 Highlights of the year

Environment

First full GHG inventory: Scope 1 23,864 t, Scope 2 16,383 t (location-based), Scope 3 87,503 t CO_2e

Renewable energy 15.0% of total energy; 46.1% of electricity incl. I-RECs

ZLD at all 6 units; 45.5% of water recycled; freshwater within PCB limits

90.7% of waste diverted from landfill; 86% solvent and material recovery

People

Zero lost-time injuries and zero fatalities; ISO 45001 at all sites

968 on-roll employees and 1,806 total workforce; 154 new hires

100% PF, ESIC and minimum-wage compliance; zero child or forced labour

3,269 training attendances; 8.2 hours of training per employee

Governance and ethics

ISO 37001 anti-bribery management system certified

100% ethics and anti-bribery training; zero corruption cases

CDP 2025: Climate change B, Water security B-

67 corporate SOPs issued across all sites (VOL-CSOP-MAN-01)

Double materiality assessment validated by the Board

Value chain and community

100% of suppliers ESG-assessed; Sustainable Procurement kit launched

100% of buyers trained on sustainable procurement

CSR ₹164.31 lakh (105% of obligation) in 29 projects; 93% in local areas

3,000+ trees planted; 33% greenbelt at all plants

3.2 Performance against targets

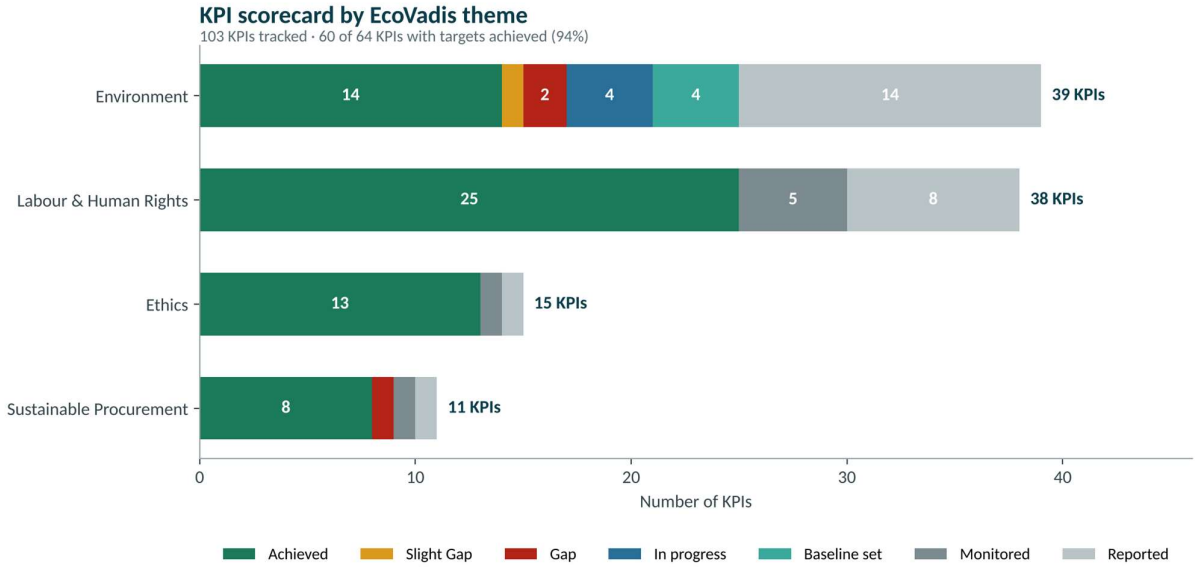
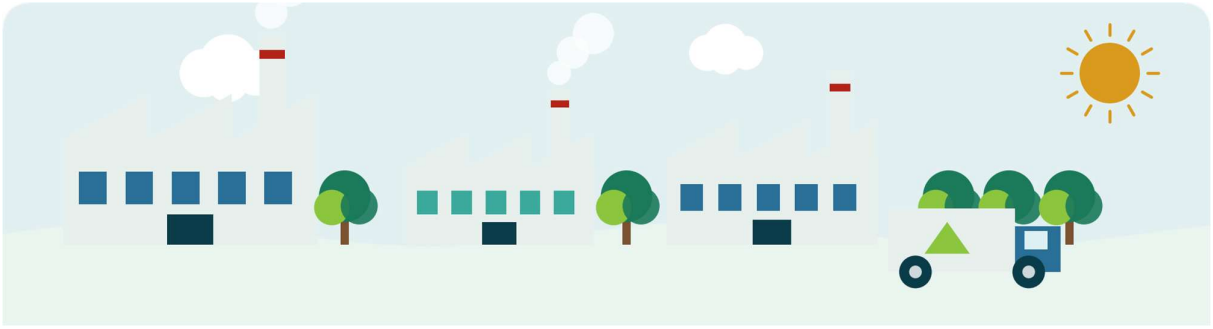


Figure 2: KPI scorecard: status of the 103 KPIs tracked in FY 2025-26

Of the 64 KPIs with a quantified target, 60 (94%) were achieved. The four gaps – energy intensity, water consumption reduction, water recycling and high-risk supplier audits – have corrective actions set out in Section 15.

4. About Virupaksha Organics Limited



Virupaksha Organics Limited is a Hyderabad-based manufacturer of **active pharmaceutical ingredients (APIs) and advanced intermediates**. The company supplies pharmaceutical formulators in India and in 47 countries, and its management systems cover the manufacture and supply of bulk drug intermediates and APIs at every site. VOL is an unlisted public company; its Draft Red Herring Prospectus was filed with SEBI on 29 September 2025.

₹9,256 mn	3,009 t	7	1,806
Revenue FY 2025-26	Products manufactured	Sites: HO + 6 units	Total workforce

4.1 Our sites

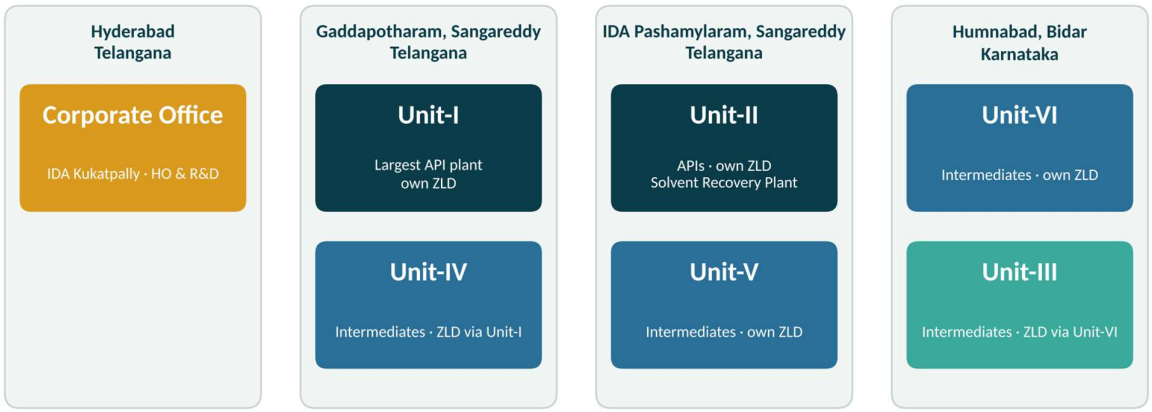


Figure 3: VOL's Corporate Office and manufacturing units

Site	Location	Activity	Effluent treatment
Corporate Office	Plot B1 & B2, IDA Gandhinagar, Kukatpally, Hyderabad, Telangana	Corporate functions and R&D	Domestic sewage only
Unit-I	Survey No. 10, Gaddapotharam, Jinnaram Mandal, Sangareddy, Telangana	APIs and intermediates – largest plant, multiple production blocks	Own ZLD; also treats Unit-IV effluent
Unit-II	Plots 30–33, Phase-I, IDA Pashamylaram, Sangareddy, Telangana	APIs and intermediates; VOL's Solvent Recovery Plant	Own ZLD

Site	Location	Activity	Effluent treatment
Unit-III	Plot 100 P(2), Humnabad Industrial Area, Bidar, Karnataka	Intermediates (largely idle in FY 2025-26)	Treated at Unit-VI ZLD
Unit-IV	Plot A1, Survey No. 10, Gaddapotharam, Sangareddy, Telangana	Intermediates	Treated at Unit-I ZLD
Unit-V	Plots 272, 273, 280, 281, IDA Pashamylaram, Sangareddy, Telangana	Intermediates	Own ZLD
Unit-VI	Plot 106(B) & 107, Humnabad Industrial Area, Bidar, Karnataka	Intermediates	Own ZLD; also treats Unit-III effluent

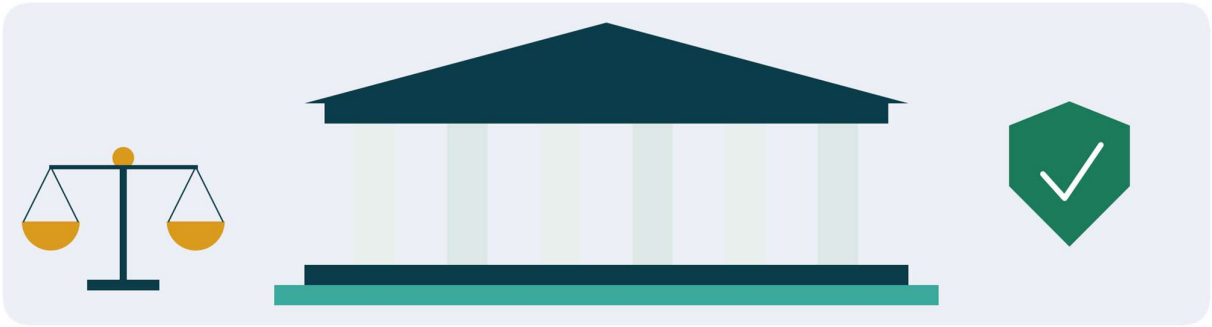
4.2 Value chain

VOL buys key starting materials, solvents and reagents – a significant share imported – and converts them through multi-step chemical synthesis into intermediates and APIs. Products are shipped to formulators who make finished medicines. The main sustainability impacts occur in purchased materials (71% of Scope 3 emissions), energy use for steam and process heating, water use and effluent, solvent recovery and hazardous waste, and in product quality and patient safety.

4.3 Certifications, ratings and memberships

Type	Status
ISO 9001 · ISO 14001 · ISO 45001 · ISO 50001 · ISO 27001	Certified for all sites and the Corporate Office (recertification audit 21–24 September 2026)
ISO 37001 Anti-bribery management system	Certified
GMP/USFDA/EDQM/PMDA etc	Quality systems for API manufacture, inspected by customers and regulators
EcoVadis	Rated; this report supports the next assessment cycle
CDP (2025)	Climate change: B · Water security: B- · Forests: not scored
SMETA (Sedex Members Ethical Trade Audit)	Audit completed
Science Based Targets initiative	Commitment letter signed; targets in preparation
Industry memberships	Federation of Telangana Chambers of Commerce and Industry (FTCCI); Pharmaceuticals Export Promotion Council of India (Pharmexcil)
Industry events	Exhibitor and participant at CPHI India and international CPHI events

5. Governance



VOL is governed by a Board of eight directors, supported by statutory committees. The Managing Director leads the company, and the **Director / Dy. CEO (ESG & Sustainability)** is the Board member responsible for sustainability strategy, ESG reporting and ratings. Functional heads own the management systems and KPIs, and unit heads are accountable at each site.

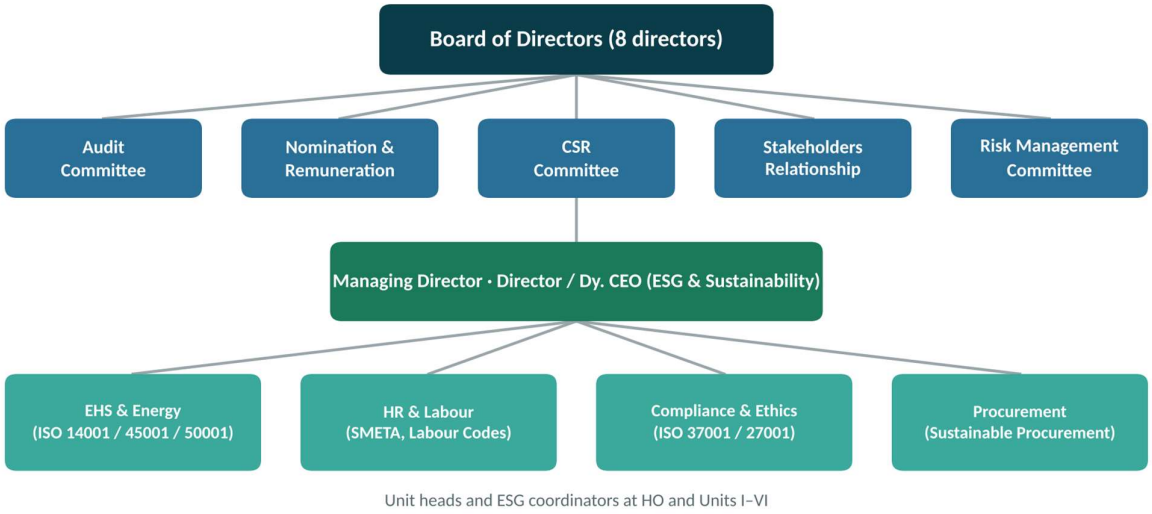


Figure 4: Sustainability governance structure

5.1 Board and committees

Indicator	FY 2025-26
Board size	8 directors
Women on the Board	1 of 8 (12.5%)
Board committees	Audit; Nomination & Remuneration; CSR; Stakeholders Relationship; Risk Management
Board oversight of ESG	Double materiality assessment approved by the Board; climate and water risks reviewed by the Risk Management Committee; ESG performance reported by the Director / Dy. CEO
Paid-up capital	₹61.53 crore

5.2 Integrated management system

VOL runs an integrated management system (IMS) across quality, environment, occupational health and safety, energy and information security, with a separate anti-bribery management system. A single recertification audit by the certification body covered all six units and the Corporate Office in September 2026. Internal audits, management reviews and corrective-action tracking are run under the IMS.

Corporate SOP Manual

On 1 December 2025 VOL issued its **Corporate SOP Manual (VOL-CSOP-MAN-01, Rev 00)** – 67 standard operating procedures that set the minimum, common requirements for the Corporate Office and Units I–VI. Each SOP names its process owner and the ISO 9001, 14001, 45001, 27001, 50001 and 37001 clauses it implements, including the 2024 climate-action amendment. Units may add stricter unit-specific SOPs, but may not dilute a corporate requirement. The manual was prepared by **K. Sandeep Reddy, Director / Dy. CEO** and approved by **G. Chandra Mouliswar Reddy, Managing Director**; it is next due for review on 30-11-2028.

Pillar	SOPs	Examples
General	5 (VOL-GEN-SOP-01 to 05)	Sustainability reporting and double materiality; stakeholder engagement; internal audit; document control; management review of IMS, ESG and carbon performance
Labour & Human Rights	26 (VOL-LAB-SOP-01 to 26)	Recruitment; age verification; child and forced labour; human rights due diligence; grievances; working hours and overtime; wages; HIRA; emergency plan; contractors; training; appraisal; equal opportunity and equal pay; POSH; works committees
Environment	16 (VOL-ENV-SOP-01 to 16)	Aspects and impacts; waste; ETP and API residue control; water; air monitoring; energy; GHG quantification; chemicals; spills; SDS; REACH; product recall; climate and water-basin risk
Sustainable Procurement	9 (VOL-SUP-SOP-01 to 09)	Purchasing with ESG criteria; supplier questionnaire, risk assessment and on-site audit; corrective action; performance evaluation; supplier GHG data; supplier grievances; inclusive sourcing
Ethics	11 (VOL-ETH-SOP-01 to 11)	Anti-bribery; fraud risk; third-party due diligence; gifts and hospitality; whistle-blower; conflict of interest; AML and KYC; information security policies and incident response

5.3 Risk management

The Risk Management Committee reviews enterprise risks, including ESG risks identified through the double materiality assessment and the CDP climate and water risk register (Section 9). Compliance with environmental consents (CFO/CTO), hazardous waste authorisations, factory licences and labour codes is tracked by each unit and reviewed at the Corporate Office.

5.4 Policies

VOL's policies are consolidated in the **Integrated Corporate Policies Manual (Rev 01, effective 01-12-2025)**, approved by K. Sandeep Reddy, Director & Dy. CEO, and due for review by 01-12-2028.

The manual contains 59 policies in seven sections, numbered VOL-POL-<section>-<nnn>. It is aligned with ISO 9001, 14001, 45001, 50001, 27001, 37001, 28000 and 20400, the UNGPs, OECD Guidelines, ILO core standards, UNGC, PSCI Principles, Responsible Care, ICH Q7, EcoVadis, CDP and SMETA. This numbering replaces the earlier VOL/HRA/PCY series. The full index is in Annexure K.

Key policy	Policy no.
Code of Conduct & Business Ethics Policy	VOL-POL-ETH-001
Anti-Bribery & Anti-Corruption (ABAC) Policy	VOL-POL-ETH-002
Whistleblower & Vigil Mechanism Policy	VOL-POL-ETH-003
Gifts, Hospitality & Conflict of Interest Policy	VOL-POL-ETH-004
Competition / Anti-Trust Policy	VOL-POL-ETH-008
Labour & Human Rights Policy	VOL-POL-LAB-001
Prevention of Sexual Harassment (POSH) Policy	VOL-POL-LAB-002
Equal Opportunity & Non-Discrimination Policy	VOL-POL-LAB-005
Employee Grievance Redressal Policy	VOL-POL-LAB-006
Disciplinary & Fair Treatment Policy	VOL-POL-LAB-011
Occupational Health, Safety & Emergency Management Policy	VOL-POL-EHS-001
Environmental, Resource & Sustainability Policy	VOL-POL-EHS-004
Climate Change & GHG Management Policy	VOL-POL-EHS-007
Energy Management Policy	VOL-POL-EHS-011
Water Stewardship Policy	VOL-POL-EHS-012
Waste Management & Circular Economy Policy	VOL-POL-EHS-013
Sustainable Procurement & Responsible Supply Chain Policy	VOL-POL-SP-001
Information Security & Business Continuity Policy	VOL-POL-IT-001
Data Protection & Privacy Policy	VOL-POL-IT-002
Risk Management Policy	VOL-POL-GOV-002
Corporate Social Responsibility (CSR) Policy	VOL-POL-GOV-006
Quality Policy	VOL-POL-QMS-001
Supplier Code of Conduct (supplier document referred to by the policies)	VOL-SP-COC-01 Rev 03

Manual section	Policies	Numbers
A – Governance & Business Ethics	9	VOL-POL-ETH-001 to 009
B – Labour & Human Rights	15	VOL-POL-LAB-001 to 015
C – Environment, Health, Safety & Energy	13	VOL-POL-EHS-001 to 013
D – Sustainable Procurement & Supply Chain	7	VOL-POL-SP-001 to 007
E – Information Security & Data Privacy	7	VOL-POL-IT-001 to 007
F – Governance, Risk & Compliance Systems	6	VOL-POL-GOV-001 to 006

Manual section	Policies	Numbers
G – Quality & Product Stewardship	2	VOL-POL-QMS-001 to 002
Total	59	

6. Stakeholder engagement and double materiality



6.1 Our stakeholders

Stakeholder group	How we engage	What they raise
Employees and workers	Works, canteen, safety and grievance committees; training; Worker Voice survey; town halls	Safety, wages, working hours, career growth, welfare
Customers	Supplier audits, EcoVadis and CDP disclosures, quality agreements, CPHI meetings	Product quality, GMP, ESG performance, carbon footprint, ethics
Investors and lenders	DRHP disclosures, annual report, meetings	Governance, growth, ESG risk, compliance
Suppliers and contractors	Supplier Code of Conduct, SAQ, audits, training	Fair terms, timely payment, clear ESG expectations
Regulators	Consents, returns, inspections (PCBs, factories, labour, CDSCO)	Compliance with consents, emissions, effluent, waste, labour law
Local communities	CSR projects with panchayats and NGOs; grievance channel	Water, air quality, jobs, education, village infrastructure
Industry bodies	FTCCI, Pharmaexcil	Policy dialogue, exports, standards

6.2 Double materiality assessment

In FY 2025-26 VOL carried out a double materiality assessment (DMA) following ESRS 1 and EFRAG implementation guidance IG 1, aligned with GRI 3. Twenty sustainability topics were scored on **impact materiality** (scale, scope, irremediability and likelihood) and **financial materiality** (magnitude over short, medium and long term, and likelihood). A topic is material if it scores 3.0 or more on either axis. The results were validated by management in a workshop and approved by the Board.

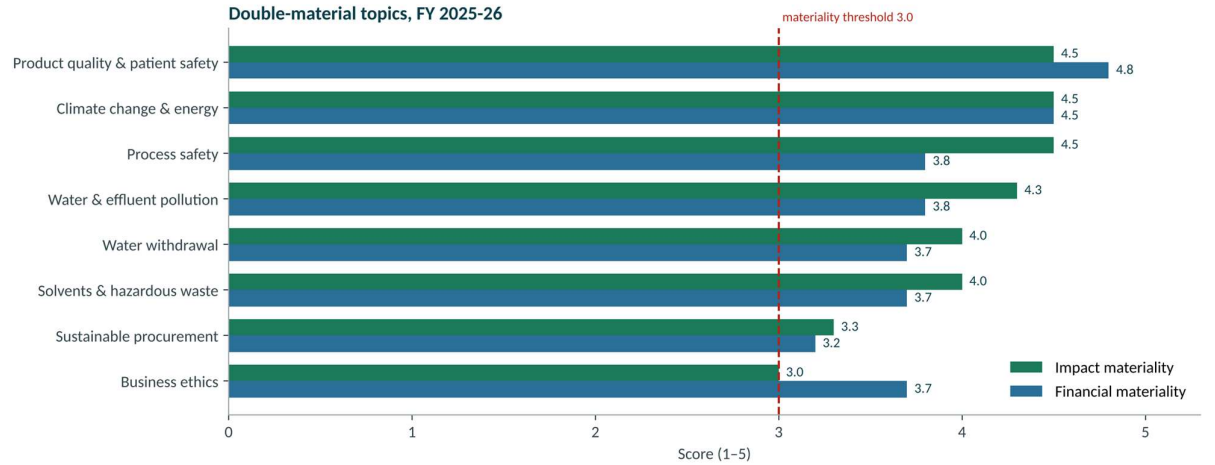


Figure 5: Scores of the eight double-material topics

Outcome	Topics (impact score / financial score)
Double material (8)	Product quality & patient safety (4.5/4.8); climate change & energy (4.5/4.5); process safety (4.5/3.8); water & effluent pollution (4.3/3.8); water withdrawal (4.0/3.7); solvents & hazardous waste (4.0/3.7); business ethics (3.0/3.7); sustainable procurement (3.3/3.2)
Impact material only (6)	Working conditions (3.8); access to affordable medicines – positive (3.7); air emissions (3.5); value-chain workers (3.3); affected communities (3.3); diversity & skills (3.0)
Financially material only (4)	Governance & IPO readiness (4.0); climate adaptation (3.5); green chemistry (3.3); data privacy & cyber security (3.0)
Not material (2)	Biodiversity (1.8/1.7); political engagement (1.3/1.5) – still managed through compliance

7. Strategy and contribution to the SDGs



VOL's sustainability strategy rests on four commitments that follow from the material topics: **make safe, high-quality medicines responsibly; decarbonise and conserve water; look after our people and partners; and act with integrity**. Each commitment has owners, KPIs and targets that are tracked in the KPI Performance Dashboard and reviewed by management.

Responsible products	Planet	People & partners	Integrity
Quality, patient safety, green chemistry	Energy, climate, water, waste, air	Safety, rights, skills, suppliers, community	Ethics, compliance, data protection

7.1 SDG performance dashboard

VOL has assessed its contribution to all 17 SDGs. Nine are **Priority SDGs**, where VOL's operations have a direct and significant effect; the other eight are **Contributing SDGs**, supported through CSR,

wages, partnerships and supply-chain programmes.

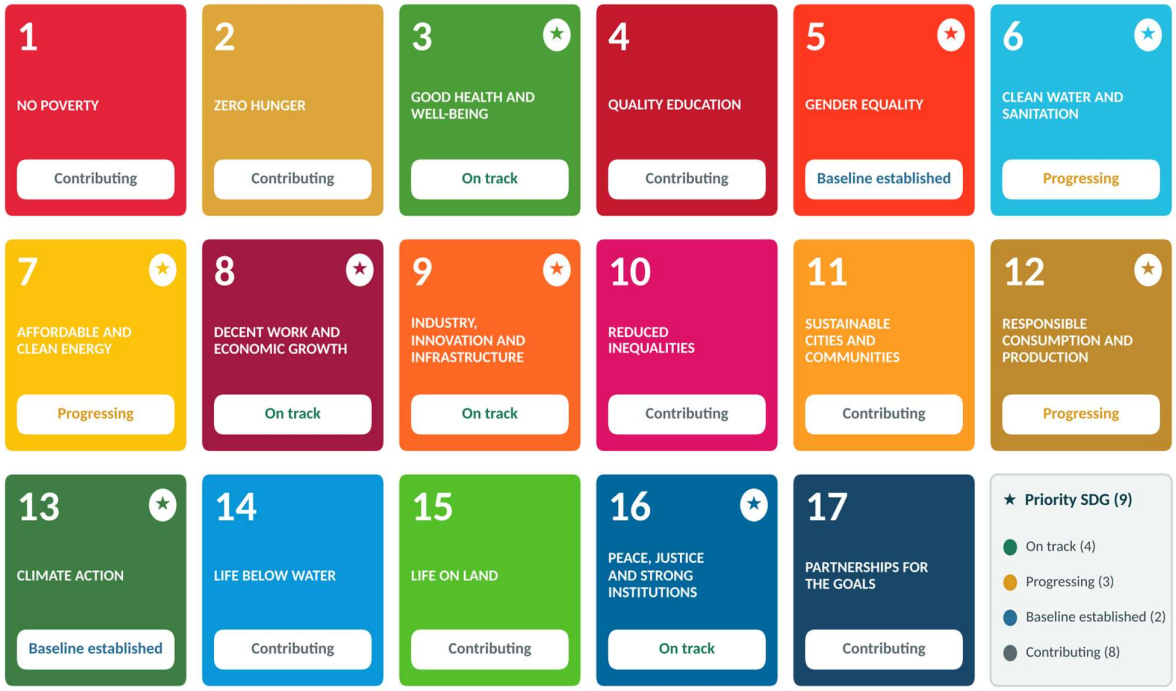


Figure 6: SDG performance dashboard – all 17 goals with FY 2025-26 status

SDG	Tier	Status	FY 2025-26 headline
1. No poverty	Contributing	**Contributing**	CSR ₹164.31 lakh (105% of obligation), 93% in local areas; 100% minimum wage and PF
2. Zero hunger	Contributing	**Contributing**	₹13.42 lakh CSR on hunger, poverty and malnutrition (2 projects); subsidised worker canteens
3. Good health and well-being	Priority	**On track**	LTIFR 0; ISO 45001 at all sites; air pollutants measured (70.06 t); ₹10.94 lakh CSR on health care and sports
4. Quality education	Contributing	**Contributing**	₹55.10 lakh CSR on 15 education projects (33% of CSR); 3,269 training attendances
5. Gender equality	Priority	**Baseline established**	Women 10.5% of on-roll staff; 9 women in management; 0 POSH complaints
6. Clean water and sanitation	Priority	**Progressing**	Withdrawal within PCB limits; ZLD covers all 6 units; recycled water 45.5% (target 60%)
7. Affordable and clean energy	Priority	**Progressing**	Renewable energy 15.0% of total energy (target ≥ 5%); renewable electricity 46.1% incl. I-RECs
8. Decent work and economic growth	Priority	**On track**	Working hours and PF 100%; 0 child/forced labour; OT within legal limits at premium pay
9. Industry, innovation and infrastructure	Priority	**On track**	R&D 1.14% of revenue; 6 ISO systems recertified Sep 2026
10. Reduced inequalities	Contributing	**Contributing**	CSR for marginalised groups (Banjara community, children in care); same wage, PF and ESI coverage for contract workers

SDG	Tier	Status	FY 2025-26 headline
11. Sustainable cities and communities	Contributing	**Contributing**	₹82.75 lakh rural development – village infrastructure and LED street lighting in Sangareddy; "Every Drop Counts"
12. Responsible consumption and production	Priority	**Progressing**	Waste recycling 82%; 90.7% diverted from landfill; supplier ESG assessment 100%; Solvent Recovery Plant at Unit-II
13. Climate action	Priority	**Baseline established**	First full Scope 1–3 inventory: 127,749 tCO2e (ISO 14064-1)
14. Life below water	Contributing	**Contributing**	No effluent discharged to water bodies – ZLD at all 6 units
15. Life on land	Contributing	**Contributing**	All plants meet the 33% greenbelt requirement; 3,000+ trees planted on land bought near Unit-I
16. Peace, justice and strong institutions	Priority	**On track**	0 corruption incidents; 100% Code of Conduct training; ISO 37001 certified
17. Partnerships for the goals	Contributing	**Contributing**	Member of FTCCI and Pharmexcil; CPHI India and international events; EcoVadis, CDP, SMETA, ISO 37001

8. Environment



API manufacture uses energy for steam, heating and cooling, consumes water and solvents, and produces effluent, emissions and hazardous waste. VOL manages these impacts through ISO 14001 and ISO 50001 at every site, the conditions in its Consent for Establishment and Consent to Operate (CFE/CTO) from the Telangana and Karnataka State Pollution Control Boards, and the environmental KPIs in its dashboard.

387,420 GJ	40,246 t	45.5%	90.7%	70.06 t
Total energy	Scope 1+2 CO_2e	Water recycled	Waste diverted	Air pollutants

8.1 Environmental management

- **ISO 14001 and ISO 50001** certified at all six units and the Corporate Office; 100% of operational sites assessed for environmental risks.
- **100% of employees** trained on site-specific environmental issues (waste segregation, spill response, energy and water saving).
- Environmental compliance tracked against CFE/CTO conditions, hazardous waste authorisations and returns; **zero chemical spill cases** reported in FY 2025-26.
- Unit-wise energy audits and an integrated water audit completed during the year to identify savings.

Environmental aspects and impacts

Each unit keeps an Environmental Aspect & Impact Register (VOL-ENV-SOP-01) that covers normal, abnormal and emergency conditions, a life-cycle perspective and compliance obligations. Across Units I–VI, **793 aspects** were assessed: 710 adverse and 83 beneficial. **323 (45% of adverse) are significant**, of which 132 are in the high band and 279 aspects are climate-related. Air emissions, water and effluent, and waste account for 196 of the significant aspects, and each has operational controls and objectives in the IMS.

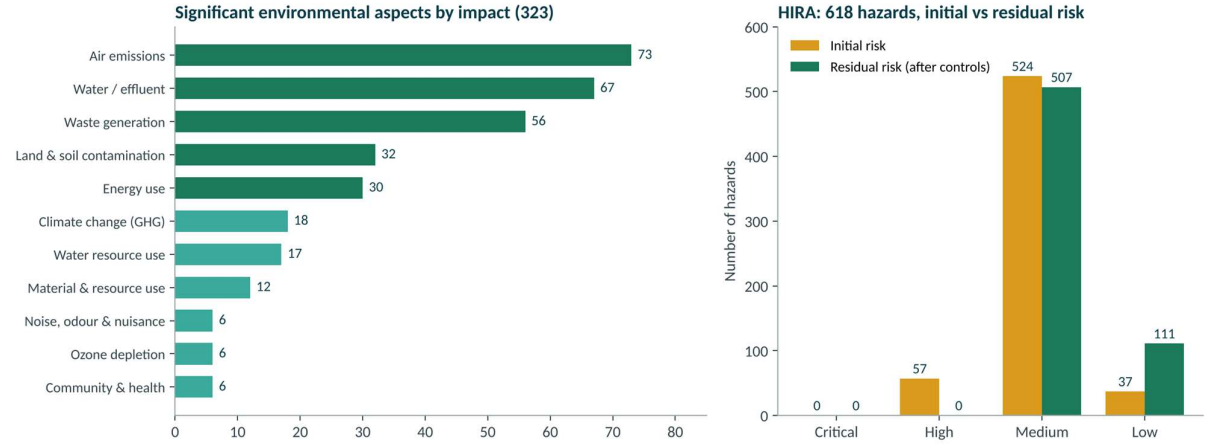
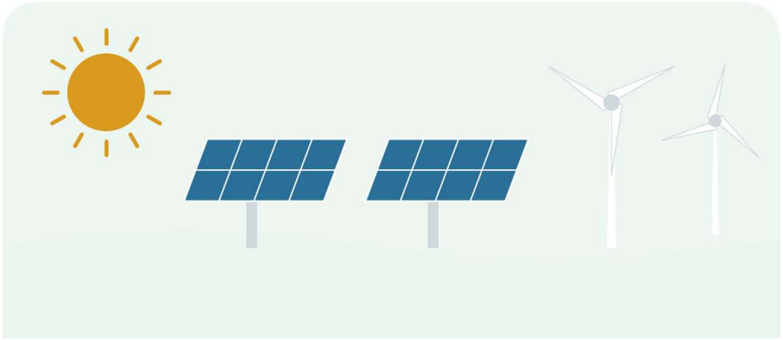


Figure 7: Significant environmental aspects by impact category and HIRA risk levels, Units I–VI (VOL/EHS/AIR-HIRA-DB)

Unit	Aspects assessed	Significant	% of adverse	High band
Unit-I	134	70	58%	34
Unit-II	137	57	47%	23
Unit-III	130	53	45%	21
Unit-IV	130	37	32%	10
Unit-V	131	53	45%	22
Unit-VI	131	53	45%	22
All units	793	323	45%	132

8.2 Energy



VOL used **387,420 GJ** of energy in FY 2025-26. Fuels – coal, biomass, diesel and LPG – for boilers, thermic fluid heaters and DG sets make up about three-quarters of the total; purchased electricity makes up the rest. Biomass replaced part of the coal in boilers, and Unit-VI received wind and solar power through open-access wheeling.

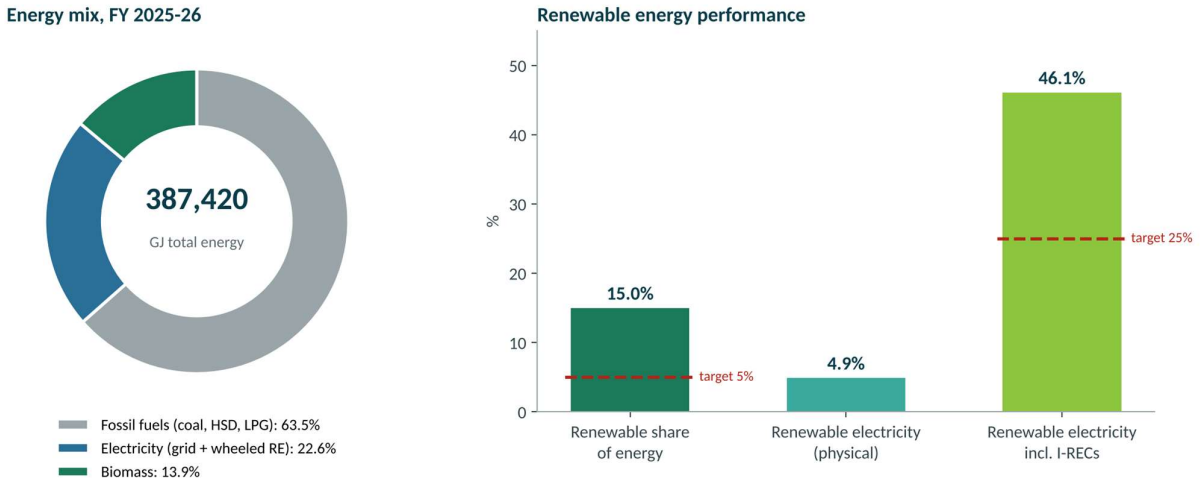


Figure 8: Energy mix and renewable energy performance, FY 2025-26

Energy indicator	FY 2025-26	Target	Status
Total energy consumption	387,420 GJ	–	Reported
Renewable energy (biomass 13.9% + wheeled wind/solar 1.1%)	58,115 GJ (15.0%)	≥ 5%	Achieved
Renewable electricity – physical supply	4.9%	–	Reported
Renewable electricity including 10,000 MWh I-RECs	46.1%	25%	Achieved
Energy intensity	128.8 GJ/t; 4.2% reduction	≥ 5% reduction YoY	Slight Gap
Energy intensity per rupee of revenue	0.0000419 GJ/₹	–	Reported

Closing the energy-intensity gap

Energy intensity fell 4.2%, just short of the 5% target. The FY 2025-26 energy audits identified the next measures: variable-frequency drives on pumps and agitators, a steam-trap survey and replacement programme, condensate recovery, insulation of steam lines, and sub-metering of steam, compressed air and nitrogen at Units I and II so that savings can be measured by block.

8.3 Climate change and GHG emissions



VOL prepared its first complete greenhouse gas inventory for FY 2025-26 under the **GHG Protocol and ISO 14064-1:2018**, using the operational control approach and IPCC AR6 global warming potentials. FY 2025-26 is the base year. Scope 3 was screened across all 15 categories; nine were quantified, and the remainder are not applicable or not material. Coal burnt in process-steam boilers (23,126 tCO_2e) is 96.9% of Scope 1, and Units I and II together produce 63.9% of total emissions. The inventory is documented in the GHG Inventory Report (VOL/ESG/GHG/INV/2025-26); a verification package was submitted to QRO Certifications LLP on 06-10-2026 for limited assurance under ISO 14064-3:2019, and the verification statement is awaited.

23,864	16,383	8,830	87,503
Scope 1 tCO_2e	Scope 2 location-based	Scope 2 market-based	Scope 3 tCO_2e

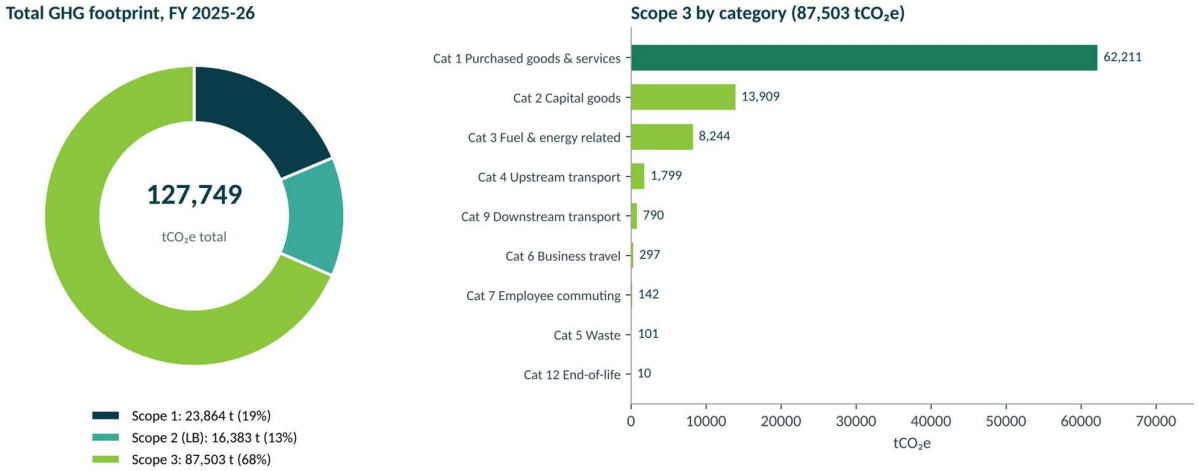


Figure 9: Total GHG footprint and Scope 3 emissions by category

GHG indicator (tCO_2e)	FY 2025-26
Scope 1 – fuel combustion, process emissions, company vehicles, refrigerants (HFCs 144.5 t)	23,864
Scope 2 – location-based (CEA grid factor 0.675 $kgCO_2/kWh$)	16,383
Scope 2 – market-based (10,000 MWh I-RECs and wheeled RE at zero)	8,830
Scope 1 + 2 – location-based / market-based	40,246 / 32,693

GHG indicator (tCO_2e)	FY 2025-26
Scope 3 – upstream (Categories 1–7)	86,703
Scope 3 – downstream (Categories 9 and 12)	800
Total – location-based / market-based	127,749 / 120,196
Scope 1 + 2 intensity – per tonne of product (location / market)	13.4 / 10.9 t/t
Scope 1 + 2 intensity – per ₹ crore revenue	43.5
R-22 (ozone-depleting substance) top-up, reported separately	117.6 (memo)

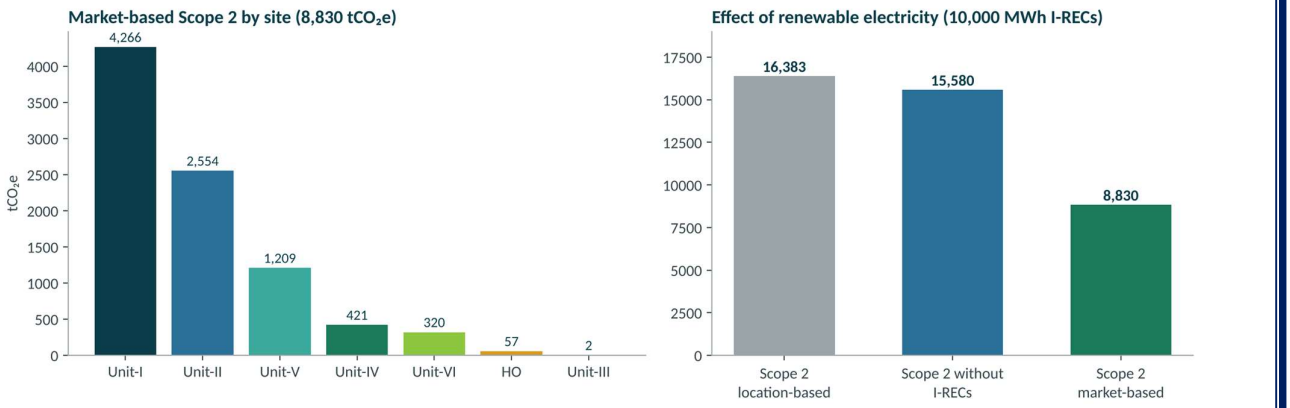


Figure 10: Market-based Scope 2 by site and the effect of renewable electricity

Climate targets

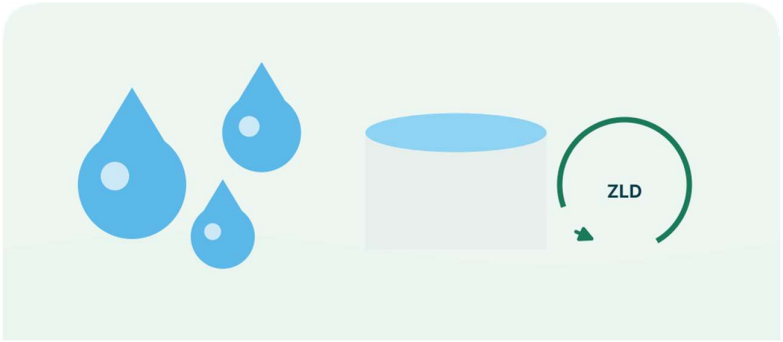
Target	Level	Status
Science Based Targets initiative	Commitment letter signed; targets to be submitted within 24 months	**In progress**
Scope 1 + 2 absolute reduction (draft, near-term)	−29.4% by FY 2032-33 vs FY 2025-26	**Board approval pending**
Scope 3 absolute reduction (draft, near-term)	−17.5% by FY 2032-33 vs FY 2025-26	**Board approval pending**
Net zero	2050	**Board approval pending**
GHG intensity (Scope 1 + 2)	≥ 5% reduction year on year	**Baseline set**
Third-party verification of the GHG inventory	Limited assurance, ISO 14064-3:2019 – verification package submitted to QRO Certifications LLP (06-10-2026)	**In progress**

Decarbonisation levers

- **Fuel switching:** raise the biomass share in boilers and phase down coal; evaluate electric and heat-pump options for low-temperature heat.
- **Renewable electricity:** a ~5 MW solar power plant acquired in 2025 will start supplying VOL; extend open-access wind and solar wheeling beyond Unit-VI; continue I-REC procurement for the remainder.

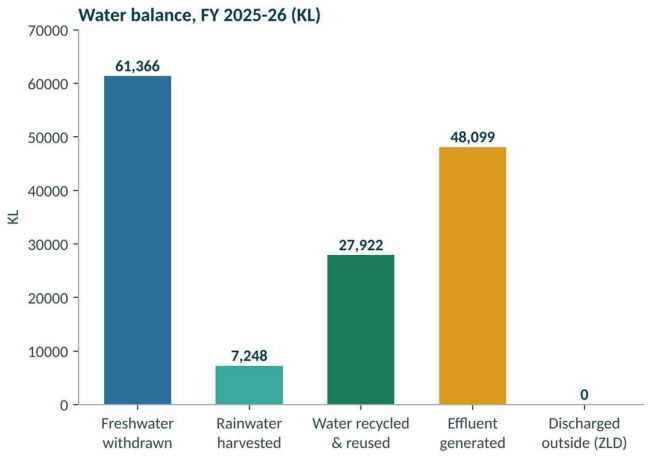
- **Electric vehicles** for in-plant material movement and staff use, reducing diesel use.
- **Energy efficiency:** implement energy audit measures (Section 8.2) and ISO 50001 energy performance indicators by production block.
- **Supply chain (Scope 3):** engage the suppliers behind Category 1 emissions (62,211 t, 71% of Scope 3), ask for product carbon footprints for key starting materials, and add carbon criteria to supplier selection.
- **Refrigerants:** replace R-22 equipment and track all refrigerant top-ups at every site.

8.4 Water and effluent



API manufacturing is water-intensive, and two of VOL's units are in the Patancheru–Pashamylaram industrial area of Sangareddy district, where groundwater is under pressure. VOL therefore treats water as a double-material topic and manages it through consent limits, zero liquid discharge and recycling.

61,366 KL	27,922 KL	7,248 KL	0 KL
Freshwater withdrawn	Recycled & reused (45.5%)	Rainwater harvested	Effluent discharged outside



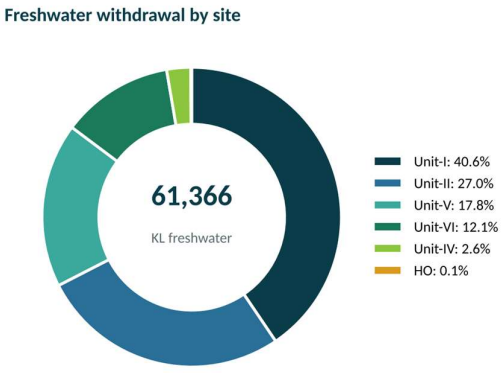


Figure 11: Water balance and freshwater withdrawal by site, FY 2025-26

Water indicator	FY 2025-26	Target	Status
Freshwater withdrawal within PCB consent (CFE/CTO) limits	100% of units	100%	**Achieved**

Water indicator	FY 2025-26	Target	Status
Units covered by zero liquid discharge (ZLD)	6 of 6	100%	Achieved
Total water consumption (freshwater + rainwater)	68,614 KL	–	Reported
Water recycled and reused	27,921.53 KL (45.5% of freshwater)	60%	Gap
Water consumption reduction year on year	3.5%	≥ 5%	Gap
Freshwater intensity	20.4 KL/t	−10% by FY 2027-28	Baseline set
Effluent generated and treated in ZLD	48,099 KL	–	Reported

Zero liquid discharge at every unit

Units I, II, V and VI operate their own ZLD systems – stripping, multiple-effect evaporators (MEE), agitated thin-film dryers (ATFD) and RO – and treated water is returned to cooling towers, scrubbers and utilities. Unit-IV, adjacent to Unit-I, sends its small effluent volume (174 KL in FY 2025-26) to the Unit-I ZLD, and Unit-III sends its effluent to the Unit-VI ZLD next door. No process effluent leaves any VOL site.

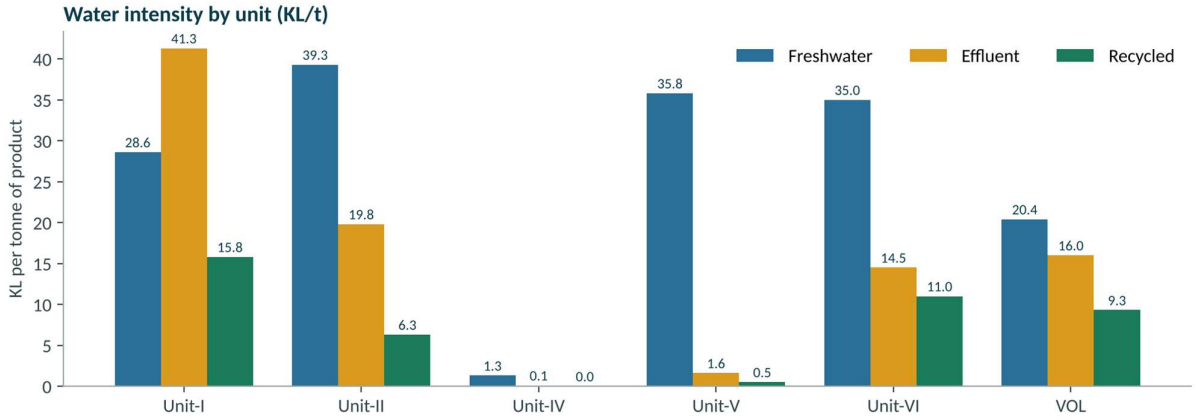


Figure 12: Water intensity by unit – freshwater, effluent and recycled water per tonne of product

Water actions and targets

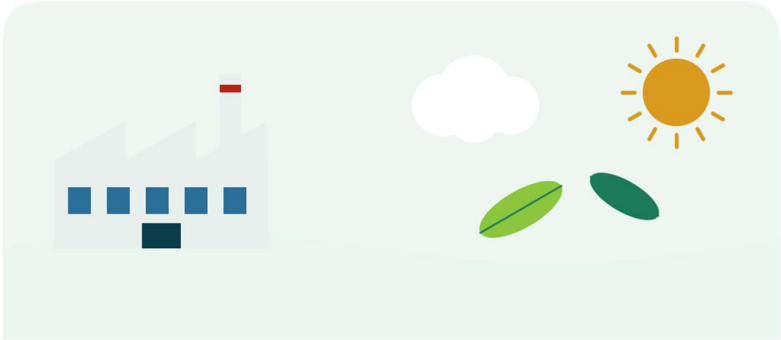
Recycling to 60% by FY 2027-28: raise reuse at Units II, V and VI towards the Unit-I ratio by sending ZLD condensate and RO permeate to cooling towers, scrubbers and floor washing.

Freshwater intensity −10% by FY 2027-28 against the FY 2025-26 baseline of 20.4 KL/t.

Metering: a monthly, metered water balance at all seven sites in FY 2026-27, with source-wise and use-wise meters.

Every Drop Counts: a water conservation awareness programme for plants and employees' homes, launched in October 2026 for the dry season.

8.5 Air quality



Boiler, thermic fluid heater, DG set and process scrubber stacks are monitored every quarter by an external environmental laboratory against consent limits. The FY 2025-26 pollutant load was calculated from measured concentrations, stack flows and operating hours for Units I, II, IV and V (95% of the total), and from fuel use and VOL-specific emission factors for Unit-VI and the Corporate Office.

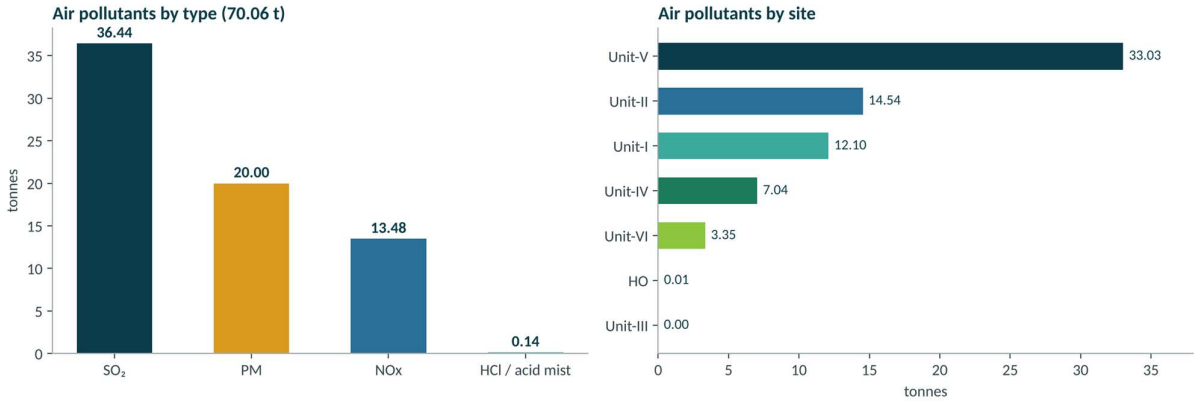
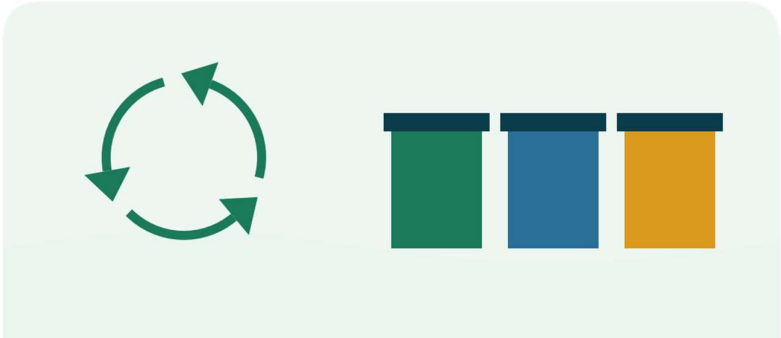


Figure 13: Air pollutant load by pollutant and by site, FY 2025-26

Pollutant	Tonnes	Main sources
Sulphur dioxide (SO_2)	36.44	Coal-fired boilers
Particulate matter (PM)	20.00	Boilers (coal and biomass)
Oxides of nitrogen (NOx)	13.48	Boilers, thermic fluid heaters, DG sets
HCl / acid mist	0.14	Process scrubbers
Total	70.06	Quarterly stack monitoring at all operating units

8.6 Waste, solvents and circularity



VOL's largest waste streams are spent solvents, process residues, ETP/ZLD salts and sludge, and packaging and metal scrap. Spent solvents are distilled and reused in the Solvent Recovery Plant at Unit-II; process residues with calorific value go to cement kilns for co-processing; scrap goes to authorised recyclers; and only waste with no recovery route goes to a secured landfill or incinerator at an authorised TSDF. All hazardous waste is stored, transported and disposed of under the authorisation and CFO/CTO conditions of each unit.

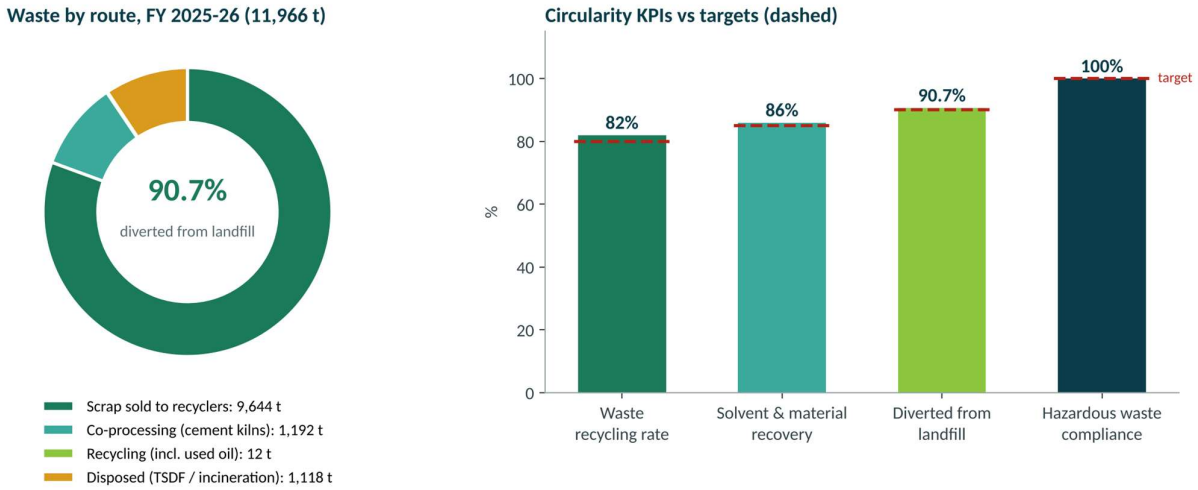


Figure 14: Waste by treatment route and circularity KPIs against targets

Waste indicator	FY 2025-26	Target	Status
Hazardous waste generated (Form-IV returns)	2,321.5 t	–	Reported
– recovered (co-processing 1,191.6 t; recycling 11.5 t; used oil 0.2 t)	1,203.2 t	–	Reported
– disposed at authorised TSDF	1,118.3 t	–	Reported
Non-hazardous waste – scrap sold to recyclers	9,644.4 t	–	Reported
Hazardous waste within authorised quantities	100%	100%	Achieved
Waste recycling rate	82%	≥ 80%	Achieved
Solvent recovery, material reuse and recycling of recyclable streams	86%	≥ 85%	Achieved
Waste diverted from landfill	90.7%	≥ 90%	Achieved

Waste indicator	FY 2025-26	Target	Status
Waste to landfill (base for −30% by 2030)	86.04 t	−30% by 2030	Baseline set

8.7 Biodiversity and land



VOL's sites are in notified industrial areas. Biodiversity scored below the materiality threshold in the DMA (1.8 / 1.7), but VOL maintains the green cover required by its consents and invests in plantation.

33%
Greenbelt at every plant (consent condition met)

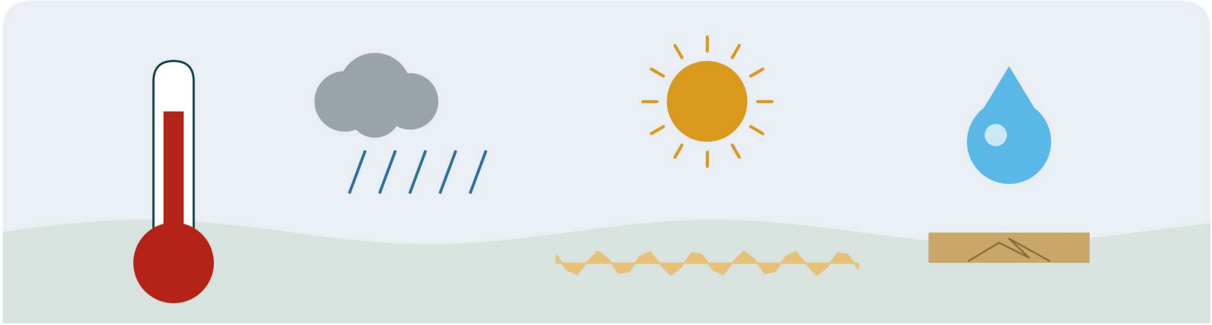
3,000+
Trees planted on land bought near Unit-I

₹2.61 lakh
CSR for animal welfare

8.8 Product stewardship

- **Zero product recalls** in FY 2025-26; quality systems follow GMP and customer quality agreements.
- **Safety data sheets** available for 100% of products supplied to customers.
- Rejected or expired products are returned and sent for authorised treatment; none were reported in FY 2025-26.
- R&D (1.14% of revenue) works on process intensification, solvent reduction and higher-yield routes – the green chemistry levers identified in the DMA.

9. Climate and water risks (CDP / TCFD)



9.1 CDP scores 2025

VOL responded to the CDP Climate Change and Water Security questionnaires. Its 2025 scores are **B for climate change** (Management level) and **B- for water security**; these scores are public on VOL's CDP profile. The category scores show where VOL is strongest – verification, emissions reduction initiatives and industry collaboration – and where it will focus next: Scope 1 and 2 accounting, business strategy, carbon pricing and value-chain engagement.

B
CDP Climate change 2025

B-
CDP Water security 2025

A
Verification; emissions reduction initiatives; industry collaboration (climate)

CDP category	Climate change	Water security
Governance	B	B
Context	B	–
Dependencies, impacts, risks and opportunities process	B	C
Risk disclosure	B	B-
Opportunity disclosure	B-	B-
Business strategy	C	B-
Environmental policies	B-	B-
Targets	B	B
Emissions reduction initiatives and low-carbon products	A	–
Energy	B-	–
Scope 1 and 2 emissions	C	–
Scope 3 emissions	B	–
Verification (incl. emissions)	A	–
Pricing environmental externalities	C	–
Value chain engagement	C	C-
Public policy engagement and industry collaboration	A	B

CDP category	Climate change	Water security
Water accounting	–	B
Water pollution management procedures	–	B-
Overall score	B	B-

Raising the CDP scores

Scope 1 and 2 (C): close the data gaps noted in the GHG inventory – energy sub-metering, refrigerant logs at all sites, fuel stock reconciliation. **Business strategy (C) and carbon pricing (C):** Board-approved transition plan and science-based targets; an internal carbon price for capital decisions. **Value-chain engagement (C / C-):** supplier GHG data collection (VOL-SUP-SOP-07) and water-risk engagement with key suppliers. **Water DIRO process (C):** basin-level water-risk screening of all sites (VOL-ENV-SOP-16).

9.2 Climate and water risk register

VOL maintains a climate and water risk register for its CDP Climate Change and Water Security responses, structured on the TCFD categories. Risks are reviewed each reporting cycle by the Risk Management Committee and owned by the relevant function.

ID	Category	Risk	How VOL responds
CT-01	Transition – current regulation	Tighter emission, effluent and waste conditions in consents	Consent tracking per unit; ZLD at all units; quarterly stack monitoring
CT-02	Transition – emerging regulation	Carbon Credit Trading Scheme, PAT, extended producer responsibility	GHG inventory and base year in place; energy efficiency and fuel switching
CT-03	Transition – technology	Coal-based steam assets becoming stranded or costlier	Biomass co-firing; evaluation of electrified heat
CT-04	Transition – market	Customers requiring decarbonisation, CDP scores and supplier targets	SBTi commitment; CDP and EcoVadis disclosure; product carbon data
CT-05	Transition – reputation	Inconsistent ESG data across reports	Single ESG data source; this integrated report; planned assurance
CP-01	Physical – acute	Extreme rainfall, flooding and heatwaves disrupting operations and logistics	Site emergency plans; drainage and storage review
CP-02	Physical – chronic	Rising temperatures increasing cooling demand and water need	Cooling-tower efficiency; water recycling
WT-01	Water – policy and legal	Limits on groundwater abstraction or tanker supply; stricter discharge rules	Withdrawal within consents; ZLD; metered water balance
WT-02	Water – reputation	Community concern about water use in industrial clusters	ZLD; CSR in nearby villages; Every Drop Counts programme
WP-01	Water – chronic physical	Water stress and scarcity in Sangareddy and Bidar	Recycling to 60%; rainwater harvesting; water-risk screening of sites

Opportunities include lower energy and water costs from efficiency, preferred-supplier status with customers that value low-carbon and water-responsible sourcing, and access to sustainability-linked finance.

10. Our people



VOL employs 968 people on its own rolls and, with contract workers, a total workforce of 1,806 across seven sites. The company follows India's Labour Codes and state rules, the ILO core conventions and its own Code of Conduct, and its labour practices have been reviewed through a SMETA audit and customer audits.

1,806	968	10.5%	154	4.8 yrs
Total workforce	On-roll employees	Women on roll	New hires (15.9%)	Average service

10.1 Workforce profile

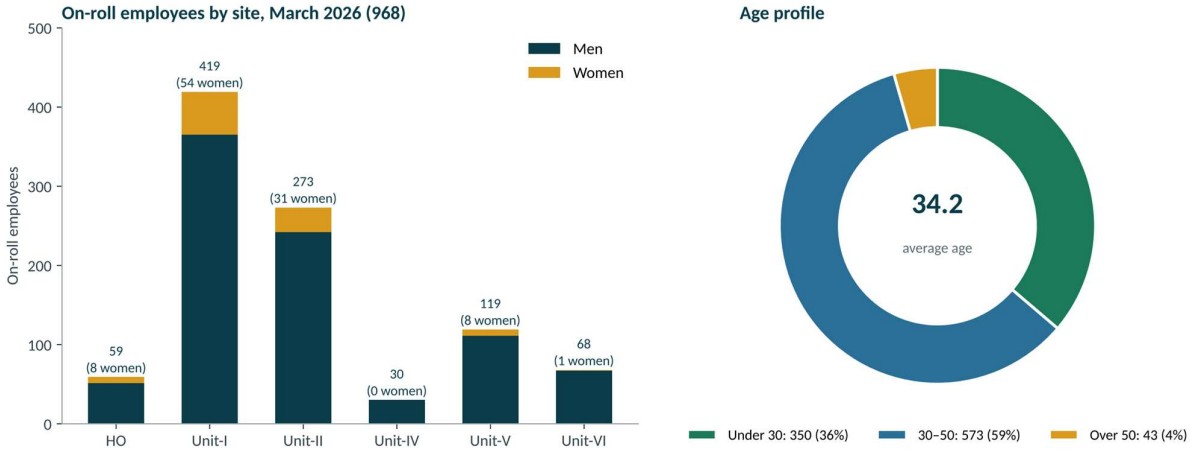
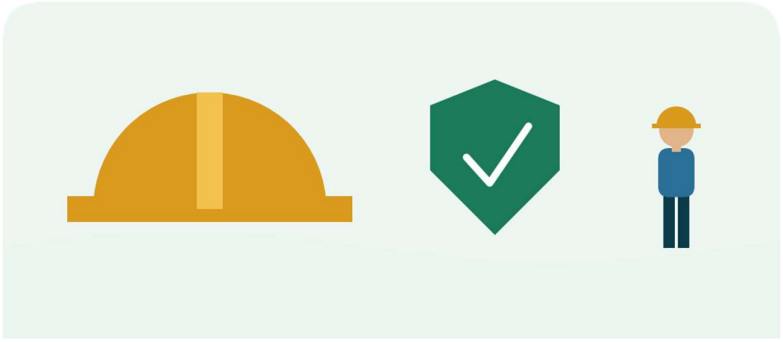


Figure 15: On-roll employees by site and gender, and age profile (March 2026 payroll)

Workforce indicator	FY 2025-26
On-roll employees by site	HO 59 · Unit-I 419 · Unit-II 273 · Unit-IV 30 · Unit-V 119 · Unit-VI 68
By category	Top management 6 · management 111 · staff 664 · workers 187
By age	Under 30: 350 · 30–50: 573 · over 50: 43 · average age 34.2 years
Women	102 (10.5%): HO 8 · Unit-I 54 · Unit-II 31 · Unit-V 8 · Unit-VI 1 · women in management 9
New hires	154 (144 men, 10 women); 107 under 30

Workforce indicator	FY 2025-26
Employees from minority or vulnerable groups, incl. persons with disabilities	29 (3%)
Contract workers (Unit-I contractor rolls)	353
Absenteeism (March 2026)	4.2% (target ≤ 5%)

10.2 Occupational health and safety



Health and safety is managed under **ISO 45001** at every site. Each unit carries out hazard identification and risk assessment (HIRA) for all activities, process safety reviews for new products and changes, and statutory medical surveillance. Safety committees with worker members meet regularly, and contract and casual workers receive induction and toolbox training before starting work.

0
Lost-time injuries (LTIFR 0)

0
Fatalities

≈ 36.6 lakh
Hours worked

100%
Sites with HIRA & ISO 45001

Hazard identification and risk assessment

HIRA registers for Units I–VI (VOL-LAB-SOP-13) assessed **618 hazards** across routine and non-routine work, including 171 non-routine tasks and 250 hazards with fatality potential (mainly fire and explosion, chemical exposure, confined spaces and work at height). Before controls, 57 hazards were rated High and none Critical; **after existing and additional controls, no hazard remains High or Critical** (residual: 507 Medium, 111 Low). The average risk score falls from 8.4 to 6.1. 319 additional control actions are being tracked to closure, with priority on the hierarchy of controls – elimination, substitution and engineering controls before PPE.

Hazard category	Hazards	Initial High	Fatality potential
Chemical	136	26	18
Fire & explosion	113	0	91
Manual handling & ergonomics	54	16	0
Mechanical	48	0	30
Pressure & thermal	41	0	13

Hazard category	Hazards	Initial High	Fatality potential
Physical (noise, heat, dust)	36	0	0
Biological	26	0	0
Vehicle & traffic	25	3	19
Working at height / confined space / electrical / slips	96	6	66
Psychosocial, human factors, natural & climate events	43	6	13
Total	618	57	250

Safety indicator	FY 2025-26	Target	Status
Lost-time injury frequency rate (LTIFR)	0	0	**Achieved**
Recordable work-related accidents and fatalities	0	0	**Achieved**
Operational sites with health and safety risk assessment	100%	100%	**Achieved**
Operational sites certified to ISO 45001	100%	100%	**Achieved**
EHS training completions	5,327	Track	**Monitored**
Unit-I Safety Committee meetings	4 (quarterly)	Quarterly	**Achieved**

10.3 Labour standards and human rights



VOL's commitment covers its own operations, contractors and suppliers. The company prohibits child, forced and bonded labour, respects freedom of association and collective bargaining, pays at least the legal minimum wage, limits working hours, and provides social security to every eligible worker. Human rights risks are assessed at all operational sites.

Labour and human rights indicator	FY 2025-26	Status
Child labour and forced labour cases	0 and 0 (youngest on-roll employee 20 years)	**Achieved**
Minimum wage compliance	100%	**Achieved**
Provident Fund coverage / ESIC coverage of eligible employees	100% / 100%	**Achieved**
Working hours within Labour Code limits	100% – overtime only for emergencies, breakdowns or reliever gaps, paid at double rate	**Achieved**

Labour and human rights indicator	FY 2025-26	Status
Overtime in March 2026	471 employees, 3,685 hours; maximum 36 hours per person	Achieved
Grievances received / closed within 30 days	None reported	Achieved
Employees covered by elected committees	100% of workers	Achieved
Operational sites assessed for human rights risks	100%	Achieved
Community grievances	Tracked	Achieved
Ratio of highest to median pay	18.6 : 1	Reported

Social dialogue

Works Committees, Canteen Committees, Grievance Redressal Committees, Crèche Committees, Safety Committees and Internal Committees under the POSH Act give workers a regular voice. At Units I and II, 36 committee meetings were held at each unit during the year, with minutes kept as evidence. A Worker Voice survey of contract workers at Unit-II measured satisfaction with PPE, facilities and treatment.

10.4 Diversity, equity and inclusion

VOL's Equal Opportunity & Non-Discrimination Policy (VOL-POL-LAB-005) bans discrimination in recruitment, pay, training and promotion on grounds including gender, age, religion, caste, region, disability, marital status and union membership. HR teams and interview panels are being trained on fair selection, structured interviews and unconscious bias.

Diversity indicator	FY 2025-26	Target	Status
Women in the on-roll workforce	10.5%	To be set	Reported
Women on the Board	12.5% (1 of 8)	15%	Monitored
Women in management	7.7% (9 of 117)	–	Monitored
Average unadjusted gender pay gap	28.1%	< 30%	Reported
Discrimination or harassment incidents (POSH complaints)	0	0	Achieved
Employees trained on discrimination and harassment	100%	100%	Achieved

Widening the talent pool

Women are under-represented in chemical manufacturing across the industry, and VOL's 154 hires included 10 women. Actions for FY 2026-27: gender-neutral job adverts with an equal-opportunity statement, a woman member on interview panels wherever possible, transport and facilities that support women on shifts, an annual review of promotion and training rates by gender, and a women-workforce target set by HR.

10.5 Training and career development

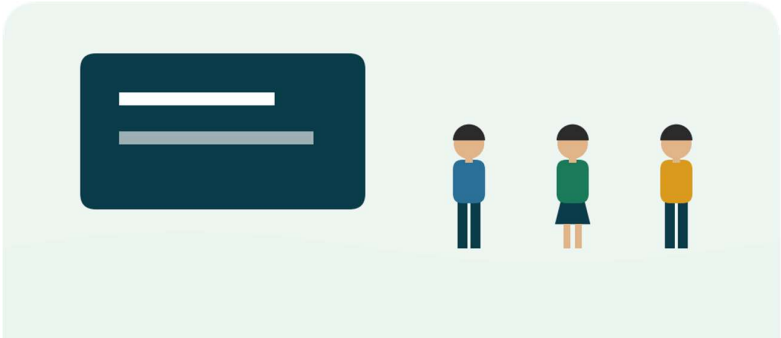




Figure 16: Employees by category and training delivered in FY 2025-26

Training indicator	FY 2025-26	Target	Status
Training sessions / attendances (all programmes)	68 / 3,269	Track	Monitored
Average hours of training per employee	8.2	6	Achieved
Training coverage of employees	82%	≥ 75%	Achieved
Employees receiving regular performance and career reviews	100% of staff	100%	Achieved
Employee satisfaction score	82%	≥ 80%	Achieved

Training covers GMP, EHS and process safety, policies (Code of Conduct, anti-bribery, POSH, data protection), technical skills and leadership. From FY 2026-27, every employee will have an **Individual Development Plan (IDP)** agreed with their manager, reviewed at mid-year, and linked to training nominations and promotion readiness.

10.6 Wellbeing and benefits

- Subsidised canteens at the plants, monitored by Canteen Committees; crèche facilities as required by law.
- Health insurance through ESIC for eligible employees and statutory medical check-ups for workers in hazardous processes.
- Maternity benefits as per the Code on Social Security; paid leave and holidays as per the Labour Codes.
- Staff welfare spending of 0.38% of revenue in FY 2025-26.

11. Business ethics, compliance and data protection



Integrity underpins VOL's licence to operate and its preparation for listing. The company's anti-bribery management system is certified to **ISO 37001**, and its information security management system to **ISO 27001**. The Code of Conduct, anti-bribery, conflict-of-interest and whistle-blower policies apply to all directors, employees and business partners.

0	100%	203	0
Corruption or bribery cases	Ethics & anti-bribery training	COI declarations reviewed	Data breaches

Ethics indicator	FY 2025-26	Target	Status
Confirmed corruption or bribery cases	0	0	Achieved
Employees trained on ethics and anti-corruption	100%	≥ 90%	Achieved
Policy acknowledgement / conflict-of-interest declarations	100% / 100%	100%	Achieved
Policy training sessions and attendances (HO, Units I and II)	31 / 1,021	Track	Monitored
Whistle-blower reports received	0	Track	Reported
Risky trading partners covered by anti-corruption due diligence	100%	100%	Achieved
Sites assessed or audited internally on business ethics	100%	100%	Achieved
Information security incidents / personal data breaches	0 / 0	0	Achieved
Anti-competitive practice cases	0	0	Achieved
Fines, penalties or compounding fees	₹23 lakh compounding fees under Companies Act s.454 (company); ₹38.435 lakh (officers)	0	Monitored

11.1 Speak-up and conflicts of interest

Employees, workers, suppliers and community members can raise concerns in confidence under the Whistleblower & Vigil Mechanism Policy (VOL-POL-ETH-003), without fear of retaliation. Each employee files an annual conflict-of-interest declaration; in FY 2025-26, 203 declarations were reviewed at Units I and II, and where an employee declared a relative working at VOL, recusal from related decisions was recorded.

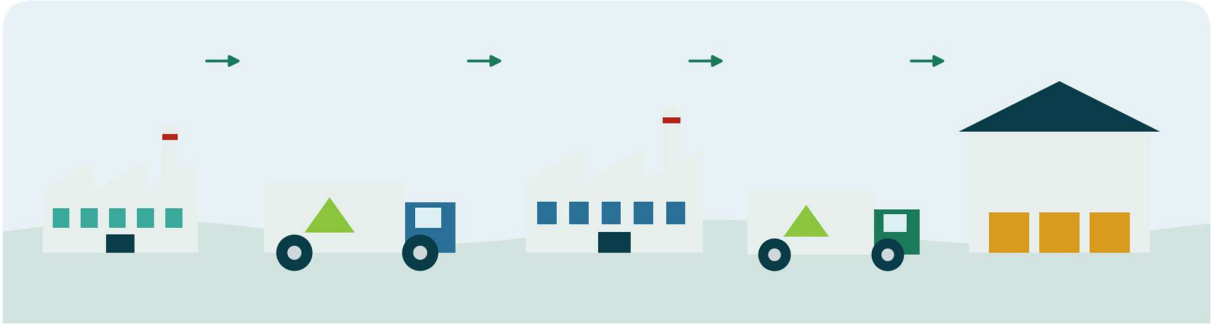
11.2 Data protection

VOL is aligning its personal data processing with the Digital Personal Data Protection Act 2023: employee consent forms were collected (199 at Units I and II), access to HR data is controlled under ISO 27001, and contracts with service providers include confidentiality and data protection clauses.

11.3 Regulatory compliance

As disclosed in the Annual Report, VOL compounded past procedural non-compliances under section 454 of the Companies Act 2013, paying compounding fees of ₹23 lakh for the company and ₹38.435 lakh for its officers.

12. Sustainable procurement



Purchased goods and services account for 62,211 tCO_2e, or 71% of VOL's Scope 3 emissions, and VOL's suppliers employ many workers in chemical manufacturing, logistics and services. In FY 2025-26 VOL launched a complete Sustainable Procurement (SP) system to manage these risks.

100%
Suppliers ESG-assessed

100%
Buyers trained on SP

62%
Supplier Code accepted

45%
High-risk suppliers audited on site

12.1 The SP system

Document	Purpose
Sustainable Procurement & Responsible Supply Chain Policy (VOL-POL-SP-001)	Policy commitment in the Integrated Corporate Policies Manual
Sustainable Procurement Procedure (VOL-SP-SOP-01)	Risk segmentation A–D, onboarding, SAQ rules, audits, corrective action, training and KPIs
Supplier Code of Conduct (VOL-SP-COC-01)	16 sections on labour, health and safety, environment, ethics and data protection
Supplier Registration Form and Declaration (F-01, F-02)	ESG screening questions and compliance undertaking
Supplier ESG Self-Assessment Questionnaire (F-03)	48 weighted questions; Low / Medium / High / Critical risk bands
Supplier ESG Audit Checklist (F-04)	58 items with worker interviews
Supplier Corrective Action Plan (F-05) and SP Training Record (F-06)	Follow-up and capacity building

12.2 Performance

Sustainable procurement indicator	FY 2025-26	Target	Status
Suppliers ESG-assessed (questionnaire with due diligence)	100%	≥ 40%	Achieved
Active suppliers risk-segmented A–D	100%	100%	Achieved
High-risk suppliers audited on site	45%	≥ 60%	Gap

Sustainable procurement indicator	FY 2025-26	Target	Status
Supplier Code of Conduct acceptance	62%	≥ 50%	**Achieved**
Supplier corrective action closure	100%	≥ 95%	**Achieved**
Targeted supplier contracts with ESG clauses	100%	100%	**Achieved**
Buyers trained on sustainable procurement	100%	≥ 90%	**Achieved**
Suppliers trained on ESG (capacity building)	12%	> 10%	**Achieved**
Suppliers terminated for non-compliance	Nil	Track	**Monitored**

To close the audit gap, VOL will schedule on-site ESG audits of all remaining Segment A and B suppliers in FY 2026-27, prioritising key starting material and solvent suppliers, and will add ESG criteria (20% weighting proposed) to sourcing decisions for high-risk categories and large tenders.

13. Community and CSR



VOL's CSR programme, governed by the CSR Committee under section 135 of the Companies Act, focuses on the villages and towns around its plants in Sangareddy and Bidar districts and on education across Telangana, Andhra Pradesh and Karnataka. Projects are delivered with gram panchayats, schools and MCA-registered implementing partners.

₹164.31 lakh	105%	29	93%
CSR spent	of obligation (₹156.33 lakh)	Projects	Spent in local areas

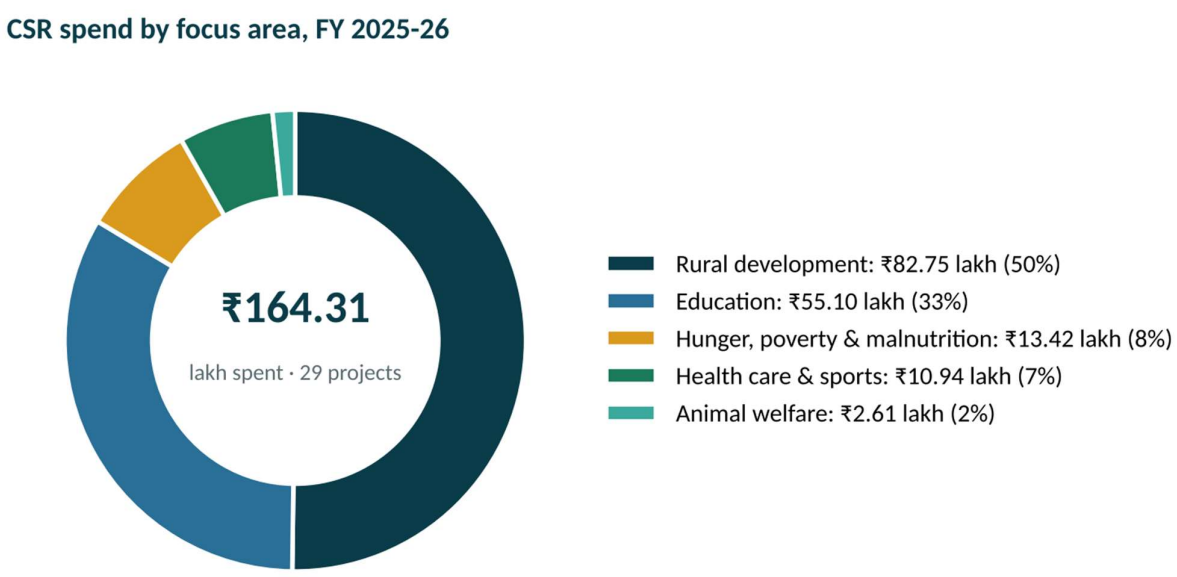
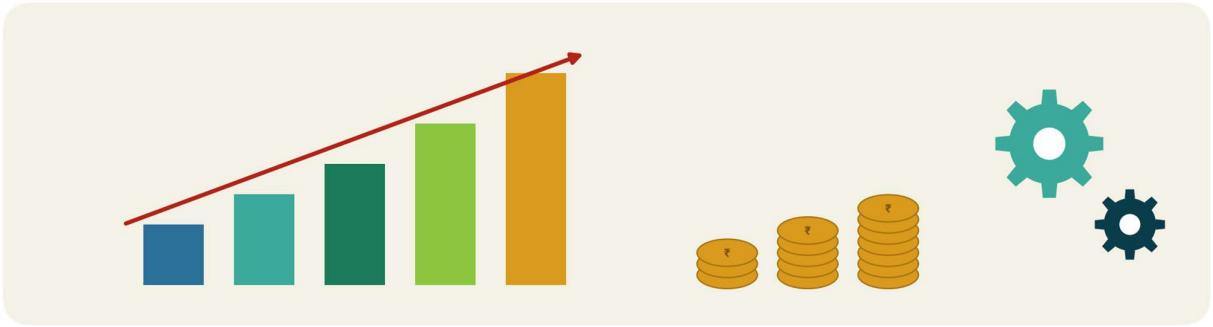


Figure 17: CSR spend by focus area, FY 2025-26

Focus area	Examples of projects	SDG
Rural development (4 projects)	Village roads and infrastructure, LED street lighting in Sangareddy villages	11
Education (15 projects)	School buildings, laboratories, libraries, digital classrooms, a nursing college	4

Focus area	Examples of projects	SDG
Hunger, poverty and malnutrition (2 projects)	Essentials for vulnerable households and care institutions	1, 2
Health care and sports (5 projects)	Health camps, medical equipment, support for sports	3
Animal welfare (3 projects)	Support for animal shelters and care	15
Marginalised groups	Banjara community and children in care	10

14. Economic performance



₹9,256 mn	₹1,201 mn	₹5,451 mn	₹105.7 mn
Revenue	Profit before tax (standalone)	Net worth	R&D (1.14% of revenue)

Economic indicator	FY 2025-26
Revenue from operations	₹9,255.86 mn
Profit before tax (standalone)	₹1,200.51 mn
Net worth	₹5,450.79 mn
Paid-up share capital	₹61.53 crore
Research and development	₹105.67 mn (1.14% of revenue)
CSR expenditure	₹164.31 lakh
Staff welfare	0.38% of revenue
Days payable outstanding	94 days (FY 2024-25: 70)
Related-party share of purchases / sales	28.6% / 10.1%

VOL creates economic value for employees through wages and benefits, for suppliers through purchases, for governments through taxes and duties, and for communities through CSR. Climate and water risks with financial implications are covered in Section 9.

15. KPI performance dashboard



VOL tracks 103 ESG KPIs aligned to the EcoVadis themes and indicator codes. 64 have quantified targets, of which 60 (94%) were achieved in FY 2025-26; the rest are reported, monitored or baseline indicators. The full register is in Annexure A.

103	60 of 64	94%	4
KPIs tracked	Targets achieved	Achievement rate	Gaps with action plans

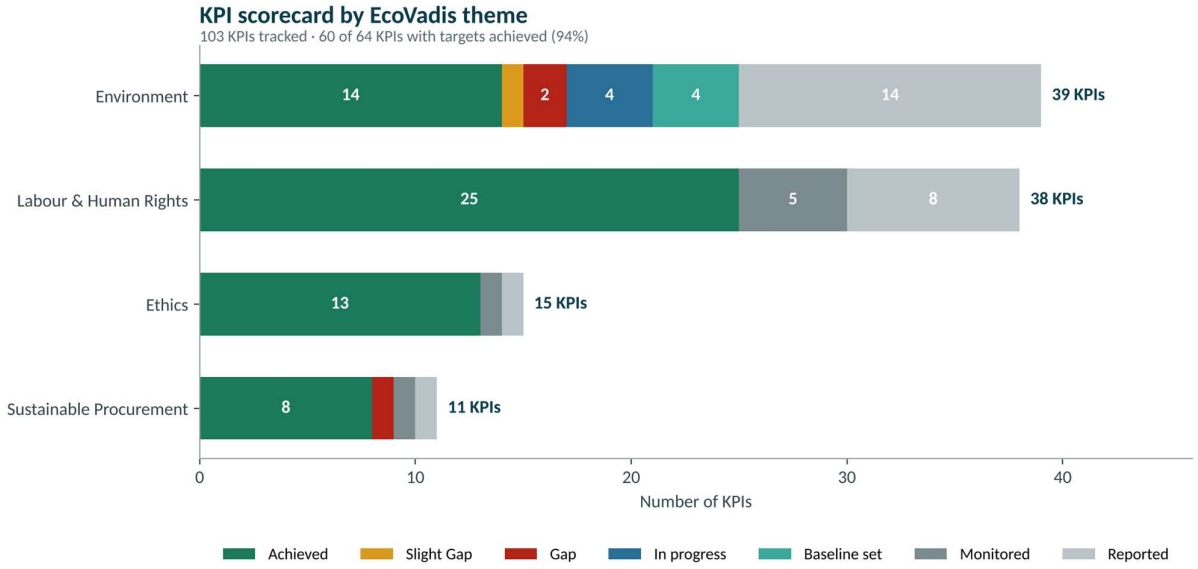


Figure 18: KPI status by theme

15.1 Gaps and corrective actions

KPI	Target	Actual	Corrective action	By
Energy intensity	≥ 5% reduction	**4.2% reduction**	VFDs, steam traps, condensate recovery, sub-metering	FY 2026-27
Water consumption	≥ 5% reduction	**3.5% reduction**	Metering, RO reject reuse, leak control	FY 2026-27
Water recycled and reused	60%	**45.5%**	Route ZLD condensate and RO permeate to utilities at Units II, V, VI	FY 2027-28

KPI	Target	Actual	Corrective action	By
High-risk supplier on-site audits	≥ 60%	**45%**	Audit remaining Segment A/B suppliers	FY 2026-27

16. Looking ahead: targets and roadmap

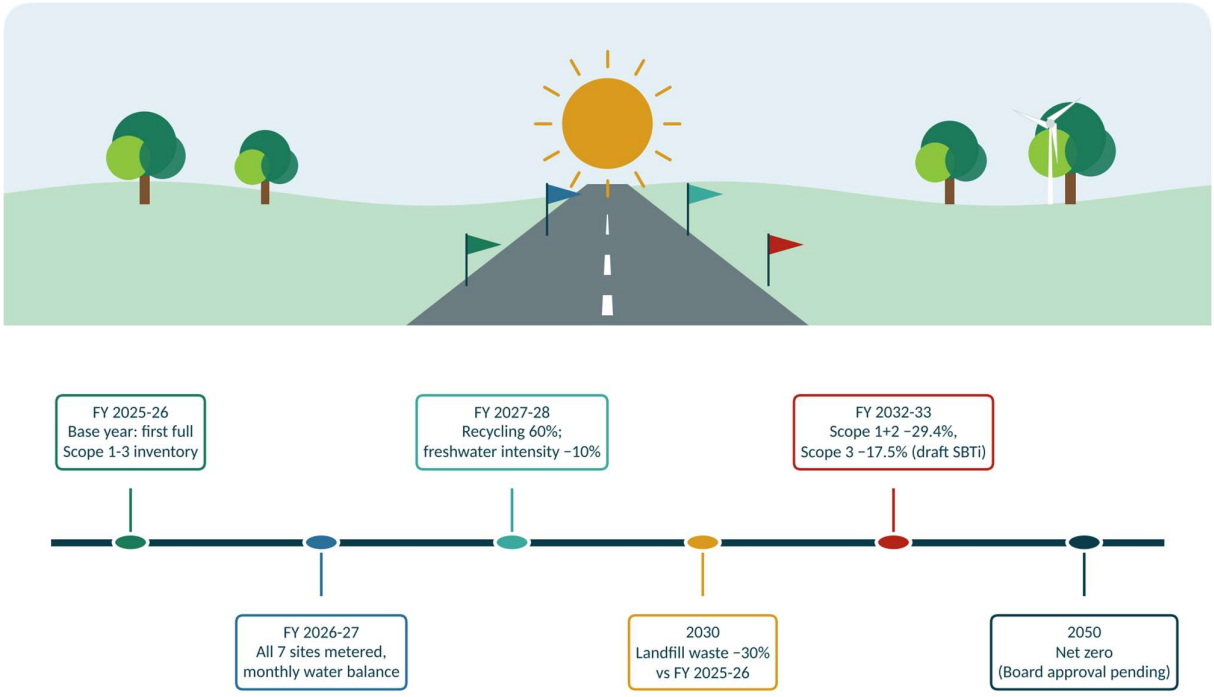


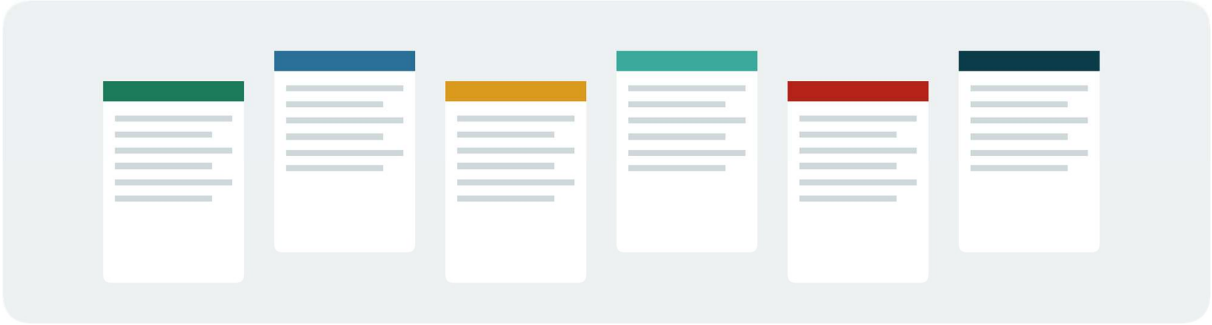
Figure 19: Sustainability roadmap – key targets (draft targets subject to Board approval)

Area	Target or commitment	Year
Climate	Submit science-based targets; Scope 1+2 −29.4% and Scope 3 −17.5% vs FY 2025-26 (draft); net zero	FY 2032-33; 2050
Climate	Complete ISO 14064-3 verification of the GHG inventory and publish the verification statement	FY 2026-27
Climate and water	Raise CDP scores from B (climate) and B- (water)	CDP 2026 cycle
Energy	Energy intensity ≥ 5% lower each year; extend renewable electricity	Annual
Water	Recycling 60%; freshwater intensity −10%; metered balance at all sites	FY 2027-28; FY 2026-27
Waste	Landfill waste −30% vs FY 2025-26; recovery ≥ 85%	2030
People	Zero harm; IDPs for all employees; women-workforce target	FY 2026-27
Ethics	Dedicated speak-up channel; maintain 100% training and zero incidents	FY 2026-27
Supply chain	On-site audits of all high-risk suppliers; increase supplier ESG training coverage	FY 2026-27
Reporting	Single ESG data system for all sites; evaluate limited assurance	FY 2026-27

Approval

This report was prepared by **K. Sandeep Reddy, Director / Dy. CEO** and reviewed and approved by G. Chandra Mouliswar Reddy, Managing Director, on behalf of the Board of Virupaksha Organics Limited.

Annexure A – Full KPI register FY 2025-26



All 103 KPIs tracked in the KPI Performance Dashboard (Rev 00). EcoVadis indicator codes are shown in square brackets.

A.1 Environment (39 KPIs)

KPI	Target	FY 2025-26 actual	Status
Energy Intensity	≥ 5% reduction YoY	4.2% reduction	Slight Gap
GHG Emissions (Scope 1 & 2)	≥ 5% reduction YoY (base year)	40,246 (FY 2025-26 base year: Scope 1 23,864 + Scope 2 16,383)	Baseline set
Water Consumption	≥ 5% reduction YoY	3.5% reduction	Gap
Waste Recycling Rate	≥ 80%	82%	Achieved
Hazardous Waste Compliance	100%	100%	Achieved
Renewable Energy Usage	≥ 5%	15.0% of total energy (biomass 13.9% + wheeled wind/solar 1.1%); earlier entry 0%	Achieved
Complete Scope 3 emissions monitoring	Mar 2029	–	In progress
Maintain minimum 33% greenbelt coverage	100%	100%	Achieved
Reduce chemical spill incidents by 50%	50%	Zero chemical spill cases reported	Baseline set
Maintain 100% SDS availability for customers	100%	100%	Achieved
Achieve zero product recalls annually	Zero	Zero	Achieved
Reduce wastes sent to landfill 30% by 2030 from a 2025-26 baseline	–	86.04 tonnes	Baseline set
Increase solvent recovery, material reuse and recycling	to achieve ≥ 85% recycling/recovery of recyclable waste streams	86%	Achieved
Total gross Scope 1 GHG emissions [ENV630]	Base year	23,864	Reported
Total gross Scope 2 GHG emissions – location-based [ENV630]	Base year	16,383	Reported

KPI	Target	FY 2025-26 actual	Status
Total gross Scope 2 GHG emissions – market-based [ENV630]	Base year	8,830 (10,000 MWh I-RECs; wheeled RE at zero)	Reported
Total gross Scope 3 GHG emissions [ENV630]	Base year	87,503 (9 of 15 categories quantified)	Reported
Scope 3 upstream GHG emissions (Cat 1–7) [ENV630]	Base year	86,703	Reported
Scope 3 downstream GHG emissions (Cat 9, 12) [ENV630]	Base year	800	Reported
GHG intensity – Scope 1 + 2 [ENV630]	≥ 5% reduction YoY	13.4 (43.5 per ₹ crore revenue)	Baseline set
Absolute Scope 1, Scope 2 and Scope 3 reduction targets and intensity target [CAR100]	VOL to state each target, e.g. −x% by 2030 vs FY 2025-26	Draft targets in SBTi tracker: Scope 1+2 −29.4% and Scope 3 −17.5% by FY 2032-33 vs FY 2025-26; net zero 2050 – Board approval pending	In progress
Science-based target submission to SBTi [CAR100]	Targets submitted within 24 months of commitment	Commitment letter signed	In progress
Third-party verification of GHG inventory [CAR108]	Verified statement for FY 2025-26	FY 2025-26 inventory (ISO 14064-1) – verification package submitted to QRO Certifications LLP on 06-10-2026; statement awaited	In progress
Total energy consumption [ENV6334]	–	387,420	Reported
Total renewable energy consumption [ENV6334]	–	58,115 (15.0%)	Reported
Renewable electricity incl. I-RECs [ENV5001]	25%	46.1% (4.9% physical supply)	Reported
Total water consumption [ENV6322]	–	68,614 KL = 68.6 ML (freshwater 61,366 + rainwater harvested 7,248; RO reject recirculation excluded)	Reported
Total water recycled and reused [ENV6322]	60%	45.5%	Gap
Freshwater withdrawal within PCB consent (CFO / CTO) limits	100% of units	100% – within consented quantity at all units	Achieved
Units covered by zero liquid discharge (ZLD)	100%	100% (6 of 6): own ZLD at Units I, II, V, VI; Unit-IV effluent treated at Unit-I, Unit-III at Unit-VI	Achieved
Total weight of hazardous waste [ENV6334]	–	2,321.5 (Form-IV returns)	Reported
Total weight of non-hazardous waste [ENV6334]	–	9,644.4 (scrap sold to recyclers)	Reported
Total weight of waste recovered [ENV6334]	–	10,847.6 (co-processing 1,191.6; recycling 11.5; scrap 9,644.4; used oil 0.2)	Reported
Waste diverted from landfill [ENV5001]	≥ 90%	90.7%	Achieved

KPI	Target	FY 2025-26 actual	Status
Total weight of air pollutants – SOx, NOx, PM [ENV6341]	–	70.06 t (SO2 36.44, PM 20.00, NOx 13.48, HCl/acid mist 0.14); all sites	Reported
Employees trained on specific environmental issues [ENV5001]	100%	100%	Achieved
Operational sites assessed for environmental risks [ENV5001]	100%	100%	Achieved
Operational sites certified to ISO 14001 / ISO 50001 [ENV5001]	100%	100%	Achieved
Rejected or expired product returned and sent for authorised treatment [ENV6760]	100%	No rejections & expired products reported	Achieved

A.2 Labour & Human Rights (38 KPIs)

KPI	Target	FY 2025-26 actual	Status
100% of grievances addressed within 30 days	≥ 95%	Zero grievance reported	Achieved
Child Labour Cases	0	0	Achieved
Forced Labour Cases	0	0	Achieved
Training Coverage	≥ 75%	82%	Achieved
Grievance Closure Rate	≥ 95%	Zero grievances reported	Achieved
Working Hours Compliance	100%	100% – within Labour Code limits; OT only for emergencies, breakdowns or reliever gaps, paid at a premium	Achieved
Wage Compliance	100%	100%	Achieved
Employee Satisfaction Score	≥ 80%	82%	Achieved
Number of hours worked [LAB6010]	–	indicative FY ≈ 36.6 lakh hrs	Achieved
Lost-time injury frequency rate (LTIFR) [LAB6010]	0	0	Achieved
Number of work-related accidents (recordable) and fatalities [LAB6010]	0	0	Achieved
Ratio of highest-paid individual to median annual compensation [LAB6010]	–	18.6 : 1 (highest ₹6.40 lakh/month vs median ₹34,400/month, on-roll payroll Mar-2026)	Reported
Average hours of training per employee [LAB6010]	6	8.2	Achieved
Women in the whole workforce [LAB561]	VOL to set	10.5% (102 of 968 on-roll: HO 8, U-I 54, U-II 31, U-IV 0, U-V 8, U-VI 1)	Reported

KPI	Target	FY 2025-26 actual	Status
Women in top management (KMP) [LAB561]	5%	3% (KMP, as stated); payroll: 0 of 6 Director/CXO/VP on payroll; women in management 9 of 117 (7.7%)	Monitored
Women on the Board [LAB561]	15%	12.5% (1 of 8)	Monitored
Average unadjusted gender pay gap [LAB561]	< 30%	28.1%	Reported
Employees from minority or vulnerable groups, incl. persons with disabilities [LAB561]	–	3% (29 out of 968)	Monitored
Discrimination or harassment incidents / corrective actions [LAB561]	0	0 (POSH complaints: 0)	Achieved
Operational sites with employee health and safety risk assessment [LAB4501]	100%	100% (HIRA)	Achieved
Employees covered by elected representatives or committees	100%	100% of Workers	Achieved
Employees receiving regular performance and career reviews	100%	100% of Staff	Achieved
Employees trained on discrimination and harassment	100%	100%	Achieved
Operational sites assessed for human rights risks [LAB4501]	100%	100%	Achieved
Operational sites certified to ISO 45001 [LAB4501]	100%	100%	Achieved
Social dialogue – works, canteen and grievance committee meetings held [LAB601]	12 per committee per unit	Unit I: 36; Unit II: 36; other units to be provided	Monitored
External stakeholder human rights – community grievances received and resolved [LAB601]	Track	Tracked	Achieved
Total on-roll employees [LAB6010]	–	968 (HO 59, U-I 419, U-II 273, U-IV 30, U-V 119, U-VI 68); Unit-III to be added	Reported
Employees by category – top management / management / staff / workers [LAB561]	–	6 / 111 / 664 / 187	Reported
Employees by age group – <30 / 30–50 / >50 [LAB561]	–	350 / 573 / 43 (average age 34.2 years)	Reported
New employee hires during FY 2025-26 [LAB343]	Track	154 (15.9% of headcount): 144 male, 10 female; 107 aged under 30	Reported
Employees covered by Provident Fund [LAB3201]	100%	100%	Achieved

KPI	Target	FY 2025-26 actual	Status
Eligible employees covered by ESIC (gross ≤ ₹21,000) [LAB3201]	100%	100%	Achieved
Employees working overtime / total OT hours – March 2026 [LAB3201]	Within legal limits	471 employees / 3,685 hrs; max 36 hrs per person; OT paid at double rate	Achieved
Absenteeism rate – March 2026 [LAB4501]	≤ 5%	4.2%	Achieved
Average length of service [LAB343]	–	4.8 years (283 employees < 2 years)	Reported
Under-18 workers on payroll (child / young labour) [LAB100]	0	0 (youngest on-roll employee 20 years)	Achieved
Contract workers – Unit-I payroll (other units to be added) [LAB4501]	–	353 (344 male, 9 female); PF deducted for 299	Monitored

A.3 Ethics (15 KPIs)

KPI	Target	FY 2025-26 actual	Status
Corruption/Bribery Cases	0	0	Achieved
Anti-Corruption Training Coverage	≥ 90%	100%	Achieved
Whistleblower Case Closure	≥ 95%	No cases reported	Achieved
Policy Acknowledgement	100%	100%	Achieved
Conflict of Interest Declarations	100%	100%	Achieved
Discrimination/Harassment Cases	0	0	Achieved
% of employees trained on Ethics	70%	100%	Achieved
No of information security Incidents	0	0	Achieved
Number of whistleblower reports received [FB610]	Track	0	Reported
Risky trading partners covered by anti-corruption / information security due diligence [FB610]	100%	100%	Achieved
Sites assessed or audited internally on business ethics [FB610]	100%	100%	Achieved
Sites certified to ISO 37001 / ISO 27001 [FB610]	100%	100%	Achieved
Personal data breaches / DPDP Act complaints [FB610]	0	0	Achieved
Anti-competitive practice cases [FB610]	0	0	Achieved
Fines, penalties or compounding fees for regulatory non-compliance [FB610]	0	₹23 lakh compounding fees under Companies Act s.454 (company); ₹38.435 lakh (officers)	Monitored

A.4 Sustainable Procurement (11 KPIs)

KPI	Target	FY 2025-26 actual	Status
Suppliers ESG/sustainability Assessed	≥ 40%	100% – questionnaire issued with due diligence and assessment	Achieved
High-Risk Supplier onsite Audits	≥ 60%	45%	Gap
Supplier Code of Conduct Acceptance	≥ 50%	62%	Achieved
Supplier Corrective Action Closure	≥ 95%	100%	Achieved
Supplier Termination (Non-compliance)	Track	Nil	Monitored
Percentage of buyers who received training on sustainable procurement	≥ 90%	100%	Achieved
Percentage of targeted suppliers with contracts that include clauses on environmental, labor, and human rights requirements	100%	100%	Achieved
Assessed or audited suppliers engaged in corrective actions or capacity building [SUP6100]	100% of suppliers with findings	100%	Achieved
Suppliers trained on ESG / sustainable procurement (capacity building) [SUP6100]	> 10%	12%	Achieved
Active suppliers risk-segmented A–D by ESG risk [SUP6100]	100%	100%	Achieved
Scope 3 Category 1 (purchased goods and services) emissions monitored [CAR106]	–	62,211 (71% of Scope 3)	Reported

Annexure B – GRI content index

Statement of use: Virupaksha Organics Limited has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards. **GRI 1 used:** GRI 1: Foundation 2021.

GRI disclosure	Title	Location
2-1 to 2-5	Organisational details, entities, reporting period, restatements, assurance	1, 4
2-6	Activities, value chain and business relationships	4.2
2-7, 2-8	Employees; workers who are not employees	10.1
2-9 to 2-18	Governance structure, Board, oversight of impacts, sustainability reporting	5
2-22	Statement on sustainable development strategy	2, 7
2-23 to 2-26	Policy commitments, embedding, remediation, raising concerns	5.4, 11.1
2-27	Compliance with laws and regulations	11.3
2-28	Membership associations	4.3
2-29, 2-30	Stakeholder engagement; collective bargaining	6.1, 10.3
3-1 to 3-3	Material topics – process, list and management	6.2, chapters 8–14
201-1, 201-2	Economic value; financial implications of climate change	14, 9
204-1, 308-1, 414-1	Procurement practices; supplier environmental and social screening	12
205-1 to 205-3	Anti-corruption risk assessment, training, incidents	11
206-1	Anti-competitive behaviour	11
301, 306-1 to 306-5	Materials; waste generated, diverted and disposed	8.6
302-1, 302-3, 302-4	Energy consumption, intensity and reduction	8.2
303-1 to 303-5	Water interactions, discharge, withdrawal, consumption	8.4
304	Biodiversity	8.7
305-1 to 305-5, 305-7	Scope 1, 2, 3 emissions, intensity, reduction; air emissions	8.3, 8.5
401-1, 401-2, 401-3	New hires and turnover; benefits; parental leave	10.1, 10.6
403-1 to 403-10	Occupational health and safety	10.2
404-1 to 404-3	Training hours, skills programmes, performance reviews	10.5
405-1, 405-2	Diversity of governance bodies and employees; pay ratio	5.1, 10.4
406-1, 407-1, 408-1, 409-1	Non-discrimination; freedom of association; child and forced labour	10.3, 10.4
413-1	Local community engagement and development programmes	13
416-1	Customer health and safety	8.8
418-1	Customer privacy and data protection	11.2

Annexure C – BRSR cross-reference

BRSR section / principle	Subject	Location
Section A	General disclosures: company, operations, employees, CSR	4, 10.1, 13
Section B	Management and process disclosures; policies; governance	5
Principle 1	Ethics, transparency and accountability	11
Principle 2	Safe and sustainable goods and services	8.6, 8.8, 12
Principle 3	Wellbeing of employees and value-chain workers	10
Principle 4	Stakeholder engagement	6
Principle 5	Human rights	10.3, 10.4
Principle 6	Environment protection: energy, GHG, water, air, waste	8
Principle 7	Responsible policy advocacy	4.3
Principle 8	Inclusive growth and equitable development	13
Principle 9	Consumer value and responsibility	8.8, 11.2
BRSR Core	GHG footprint, water, energy, waste, employee wellbeing, gender diversity, inclusive development, fairness with customers and suppliers, openness of business	8, 10, 12, 13, 14

BRSR Core attribute	FY 2025-26 value
Total Scope 1 and Scope 2 emissions; intensity per rupee of turnover	40,246 tCO_2e; 0.00000435 tCO_2e/₹
Total water consumption; water discharged	68,614 KL; zero discharge (ZLD at all units)
Total energy consumed; renewable share	387,420 GJ; 15.0%
Hazardous waste generated; recovered; disposed	2,321.5 t; 1,203.2 t; 1,118.3 t
Safety: LTIFR, fatalities	0; 0
Gender diversity: women in workforce; women on the Board	10.5%; 1 of 8
CSR spend	₹164.31 lakh (105% of obligation)
Days payable	94 days
Purchases and sales with related parties	28.6% of purchases; 10.1% of sales

Annexure D – SDG KPI map

KPIs used to assess VOL's contribution to each SDG (SDG Performance Dashboard Rev 00).

SDG	KPI	FY 2025-26	Target	Status
1	CSR spend vs obligation	₹164.31 lakh vs ₹156.33 lakh (105%)	≥ 100% of obligation	Achieved
1	CSR projects	29	Monitor	Monitored
2	Canteen Committee meetings (Units I and II)	36 each	Monthly	Achieved
2	CSR on hunger, poverty and malnutrition	₹13.42 lakh (2 projects)	Monitor	Monitored
3	Lost-time injury frequency rate (LTIFR)	0	0	Achieved
3	Air pollutant load (SO2+PM+NOx+HCl)	70.06 t	Monitor	Monitored
3	EHS training completions (Unit I)	5,327	Monitor	Monitored
3	Sites certified to ISO 45001	All sites + HO	All sites	Achieved
3	CSR on health care and sports	₹10.94 lakh (5 projects)	Monitor	Monitored
4	Training attendances (68 sessions)	3,269	Monitor	Monitored
4	CSR on education	₹55.10 lakh (15 projects)	Monitor	Monitored
5	Women in on-roll workforce	10.5% (102 of 968)	Baseline	Baseline set
5	Women on the Board	1 of 8	Baseline	Baseline set
5	Female-to-male median pay	72.7%	Baseline	Baseline set
5	POSH complaints	0	0	Achieved
6	Water consumption reduction (YoY)	3.5% reduction (freshwater 61,366 KL)	≥ 5% reduction YoY	Gap
6	Freshwater intensity	20.4 KL/t	−10% (FY 2027-28)	Baseline set
6	Water recycled and reused	45.5%	60%	Gap
6	Units covered by zero liquid discharge	6 of 6 (4 own ZLD plants; Unit-IV via Unit-I, Unit-III via Unit-VI)	All units	Achieved
6	Freshwater withdrawal within PCB consent (CFO/CTO) limits	Within limits at all units	Within consent limits	Achieved
7	Total energy consumed	387,420 GJ	Monitor	Monitored
7	Renewable share of energy	15.0% of total energy (biomass 13.9% + wheeled wind/solar 1.1%)	≥ 5%	Achieved
7	Renewable share of electricity	4.9% (46.1% with I-RECs)	25%	Monitored
7	Energy intensity	4.2% reduction (128.8 GJ/t)	≥ 5% reduction YoY	Slight Gap

SDG	KPI	FY 2025-26	Target	Status
8	Total workforce	1,806	—	Monitored
8	Child or forced labour incidents	0	0	Achieved
8	Working hours compliance (Labour Codes)	100%	100%	Achieved
8	PF coverage (eligible employees)	100%	100%	Achieved
8	Minimum wage compliance	100%	100%	Achieved
8	New joiners in FY 2025-26	154 (15.9%)	—	Monitored
8	Overtime within legal limits and paid at premium	Yes (Mar-2026: 471 employees, 3,685 hrs, max 36 hrs/person)	Within limits, premium pay	Achieved
8	Absenteeism rate (March 2026)	4.2%	≤ 5%	Achieved
9	R&D spend	₹105.67 mn (1.14% of revenue)	Monitor	Monitored
9	Certified management systems	6 (ISO 9001/14001/45001/50001/27001/37001)	Maintain	Achieved
10	Contract workers covered by Worker Voice survey (Unit II)	11	Extend to all units	Monitored
11	"Every Drop Counts" water awareness programme	Launched Oct 2026	Plants + employees' homes	Monitored
11	CSR on rural development	₹82.75 lakh (4 projects)	Monitor	Monitored
11	CSR spent in local areas	93%	Local-area preference	Achieved
12	Hazardous waste generated	2,321.5 t	Monitor	Monitored
12	Waste recycling rate	82%	≥ 80%	Achieved
12	Supplier ESG assessment coverage	100%	≥ 40%	Achieved
12	Sustainable Procurement kit issued	10 documents	Go-live	Monitored
12	Hazardous waste within PCB authorisation; recovered or disposed per CFO/CTO conditions	Within authorised quantities at all units	100% as per authorisation	Achieved
12	Waste diverted from landfill	90.7%	≥ 90%	Achieved
12	Solvent recovery, material reuse and recycling of recyclable streams	86%	≥ 85%	Achieved
12	High-risk supplier on-site audits	45%	≥ 60%	Gap
13	Scope 1 emissions	23,864 tCO2e	Baseline	Baseline set
13	Scope 2 emissions (location / market)	16,383 / 8,830 tCO2e	Baseline	Baseline set
13	Scope 3 emissions	87,503 tCO2e	Baseline	Baseline set

SDG	KPI	FY 2025-26	Target	Status
13	Scope 1+2 intensity (location / market)	13.4 / 10.9 tCO2e/t	Baseline	Baseline set
14	Effluent discharged to water bodies	0 KL	0	Achieved
15	Greenbelt coverage at plants	≥ 33% at all plants	33% (consent condition)	Achieved
15	Trees planted on land bought near Unit-I	3,000+	Maintain survival	Achieved
15	CSR on animal welfare	₹2.61 lakh (3 projects)	Monitor	Monitored
16	Confirmed corruption incidents	0	0	Achieved
16	Code of Conduct training coverage	100%	100%	Achieved
16	Conflict-of-interest declarations	100%	All staff	Achieved
16	Policy training sessions / attendances	31 / 1,021	Monitor	Monitored
16	Compounding fees paid (Companies Act s.454)	₹23 lakh (company); ₹38.435 lakh (officers)	0	Watch
17	External ESG assessments and certified management systems	8 (EcoVadis, CDP, SMETA, ISO 37001, 14001, 45001, 50001, 27001)	Maintain	Achieved
17	Industry association memberships	2 (FTCCI, Pharmexcil)	Maintain	Achieved
17	Participation in CPHI events	India and international	Continue	Monitored

Annexure E – EcoVadis theme map

Theme	EcoVadis criteria	Policies, actions and KPIs in this report
Environment	Energy consumption & GHGs; water; biodiversity; local & accidental pollution; materials, chemicals & waste; product use & end-of-life; customer health & safety	8.1–8.8, 9; KPIs ENV630, ENV6322, ENV6334, ENV6341, ENV5001, ENV6760, CAR100–108
Labour & Human Rights	Employee health & safety; working conditions; social dialogue; career management & training; child, forced labour & human trafficking; diversity, equity & inclusion; external stakeholder human rights	10.1–10.6, 13; KPIs LAB100, LAB343, LAB3201, LAB4501, LAB561, LAB601, LAB6010
Ethics	Corruption; anti-competitive practices; responsible information management	11; KPIs FB610
Sustainable Procurement	Supplier environmental practices; supplier social practices	12; KPIs SUP6100, CAR106
Reporting (all themes)	Policies, endorsements, measures, certifications, coverage, reporting	1, 5, 15, Annexure A

Annexure F – ISO management system alignment

Standard	Scope at VOL	Report sections
ISO 9001:2015 Quality	All sites + HO: manufacture and supply of bulk drug intermediates and APIs	8.8
ISO 14001:2015 Environment	All sites + HO	8
ISO 45001:2018 Occupational health & safety	All sites + HO	10.2
ISO 50001:2018 Energy	All sites + HO	8.2
ISO/IEC 27001:2022 Information security	All sites + HO	11.2
ISO 37001:2016 Anti-bribery	VOL	11
ISO 14064-1:2018 GHG inventories	FY 2025-26 inventory, operational control; verification package submitted to QRO Certifications LLP for limited assurance (ISO 14064-3:2019)	8.3
ISO 26000 / ISO 20400 (guidance)	Social responsibility and sustainable procurement guidance used in policy design	6, 12

Annexure G – CDP index

CDP 2025 scores: **Climate change B; Water security B-**; Forests not scored. Category scores are in Section 9.1.

CDP module	Content	Location
1 – Introduction	Organisation, reporting year, boundary, currency	1, 4
2 – Dependencies, impacts, risks and opportunities	Process to identify and assess; value chain coverage; water pollutants	6.2, 9, 8.4
3 – Disclosure of risks and opportunities	Climate and water risk register; opportunities	9
4 – Governance	Board oversight, management responsibility, incentives, policies	5
5 – Business strategy	Transition plan elements, targets, SBTi commitment	7, 8.3, 16
6 – Environmental performance – consolidation	Operational control	1.1
7 – Climate change	Scope 1, 2 (location and market), 3; intensity; energy; targets; emissions reduction initiatives; verification status	8.2, 8.3
9 – Water security	Withdrawal, discharge (ZLD), consumption, recycling, intensity, targets, facility-level data	8.4
13 – Further information and sign-off	Approval	16

Annexure H – SMETA pillar index

SMETA pillar / ETI Base Code clause	Where covered
Labour standards – employment freely chosen; freedom of association; child labour; wages; working hours; discrimination; regular employment; harsh treatment	10.3, 10.4
Health and safety – safe and hygienic working conditions, accommodation and facilities	10.2, 10.6
Management systems and code implementation; entitlement to work; subcontracting and homeworking	5.2, 10.1, 12
Environment (4-pillar)	8
Business ethics (4-pillar)	11

Annexure I – Data basis

Topic	Basis
Workforce	On-roll figures from the March 2026 payroll for HO and Units I, II, IV, V and VI. Total workforce (1,806) includes contract workers. Unit-III was largely idle and is not included in on-roll figures.
GHG emissions	GHG Protocol and ISO 14064-1; operational control; IPCC AR6 GWP-100; CEA grid factor 0.675 $kgCO_2/kWh$. Market-based Scope 2 applies 10,000 MWh I-RECs (calendar 2025) and wheeled renewable electricity at zero. Verification statement from QRO Certifications LLP awaited.
Energy	Fuel and electricity records converted with fuel-specific net calorific values; energy mix shares derived from the GHG inventory.
Air emissions	Quarterly stack monitoring (mass rate × operating hours) for Units I, II, IV and V; estimated from fuel use and VOL-specific factors for Unit-VI and HO.
Waste	Hazardous waste from Form-IV annual returns; scrap from sales records.
Training and committees	Signed attendance sheets and minutes for HO, Unit-I and Unit-II; other units report through the KPI dashboard.
Financial	Audited standalone financial statements FY 2025-26.

Annexure J – Glossary

Term	Meaning
API	Active pharmaceutical ingredient
ATFD / MEE	Agitated thin-film dryer / multiple-effect evaporator
BRSR	Business Responsibility and Sustainability Report (SEBI)
CFE / CTO	Consent for Establishment / Consent to Operate
DMA	Double materiality assessment
GHG / tCO_2e	Greenhouse gas / tonnes of carbon dioxide equivalent
HIRA	Hazard identification and risk assessment
I-REC	International renewable energy certificate
IDP	Individual development plan
KL	Kilolitre (1,000 litres)
LTIFR	Lost-time injury frequency rate
POSH	Prevention of Sexual Harassment of Women at Workplace Act 2013
SAQ	Self-assessment questionnaire
SBTi	Science Based Targets initiative
SMETA	Sedex Members Ethical Trade Audit
TCFD	Task Force on Climate-related Financial Disclosures
TSDF	Treatment, storage and disposal facility
ZLD	Zero liquid discharge

Annexure K – Index of policies

Integrated Corporate Policies Manual, Rev 01, effective 01-12-2025 (59 policies). Approved by K. Sandeep Reddy, Director & Dy. CEO; next review due 01-12-2028.

S. No.	Policy name	Policy no.
	Section A – Governance & Business Ethics	
1	Code of Conduct & Business Ethics Policy	VOL-POL-ETH-001
2	Anti-Bribery & Anti-Corruption (ABAC) Policy	VOL-POL-ETH-002
3	Whistleblower & Vigil Mechanism Policy	VOL-POL-ETH-003
4	Gifts, Hospitality & Conflict of Interest Policy	VOL-POL-ETH-004
5	Fraud Prevention Policy	VOL-POL-ETH-005
6	Third-Party Ethics & Due Diligence Policy	VOL-POL-ETH-006
7	Political Contributions & Donations Policy	VOL-POL-ETH-007
8	Competition / Anti-Trust Policy	VOL-POL-ETH-008
9	Responsible Tax Policy	VOL-POL-ETH-009
	Section B – Labour & Human Rights	
1	Labour & Human Rights Policy	VOL-POL-LAB-001
2	Prevention of Sexual Harassment (POSH) Policy	VOL-POL-LAB-002
3	Child Labour & Young Workers Policy	VOL-POL-LAB-003
4	Forced & Bonded Labour Prevention Policy	VOL-POL-LAB-004
5	Equal Opportunity & Non-Discrimination Policy	VOL-POL-LAB-005
6	Employee Grievance Redressal Policy	VOL-POL-LAB-006
7	Freedom of Association & Collective Bargaining Policy	VOL-POL-LAB-007
8	Working Hours, Wages & Benefits Policy	VOL-POL-LAB-008
9	Diversity, Equity & Inclusion (DEI) Policy	VOL-POL-LAB-009
10	Migrant & Contract Worker Welfare Policy	VOL-POL-LAB-010
11	Disciplinary & Fair Treatment Policy	VOL-POL-LAB-011
12	Career Development Policy	VOL-POL-LAB-012
13	Skills Development Policy	VOL-POL-LAB-013
14	Community Rights of Women & Girls Policy	VOL-POL-LAB-014
15	Gender Equality in Sustainability, Community Investment & Partnerships Policy	VOL-POL-LAB-015
	Section C – Environment, Health, Safety & Energy	
1	Occupational Health, Safety & Emergency Management Policy	VOL-POL-EHS-001
2	Incident Reporting & Investigation Policy	VOL-POL-EHS-002
3	Workplace Safety & Personal Protective Equipment (PPE) Policy	VOL-POL-EHS-003

S. No.	Policy name	Policy no.
4	Environmental, Resource & Sustainability Policy	VOL-POL-EHS-004
5	Pharmaceuticals in the Environment (PiE) Policy	VOL-POL-EHS-005
6	ESG (Environmental, Social & Governance) Policy	VOL-POL-EHS-006
7	Climate Change & GHG Management Policy	VOL-POL-EHS-007
8	Environmental Compliance Policy	VOL-POL-EHS-008
9	Biodiversity & Environmental Protection Policy	VOL-POL-EHS-009
10	Emergency Preparedness & Environmental Incident Policy	VOL-POL-EHS-010
11	Energy Management Policy	VOL-POL-EHS-011
12	Water Stewardship Policy	VOL-POL-EHS-012
13	Waste Management & Circular Economy Policy	VOL-POL-EHS-013
	Section D – Sustainable Procurement & Supply Chain	
1	Sustainable Procurement & Responsible Supply Chain Policy	VOL-POL-SP-001
2	Supplier ESG Risk Management Policy	VOL-POL-SP-002
3	Supplier Audit & Monitoring Policy	VOL-POL-SP-003
4	Supplier Diversity Policy	VOL-POL-SP-004
5	Conflict Minerals & Ethical Sourcing Policy	VOL-POL-SP-005
6	Responsible Sourcing Policy	VOL-POL-SP-006
7	Supply Chain Security Policy	VOL-POL-SP-007
	Section E – Information Security & Data Privacy	
1	Information Security & Business Continuity Policy	VOL-POL-IT-001
2	Data Protection & Privacy Policy	VOL-POL-IT-002
3	Access Control & Password Policy	VOL-POL-IT-003
4	Incident Response & Data Breach Policy	VOL-POL-IT-004
5	Records Retention & Data Disposal Policy	VOL-POL-IT-005
6	Third-Party Information Security Policy	VOL-POL-IT-006
7	Consent Management & Data Subject Rights Policy	VOL-POL-IT-007
	Section F – Governance, Risk & Compliance Systems	
1	Compliance Management Policy	VOL-POL-GOV-001
2	Risk Management Policy	VOL-POL-GOV-002
3	Internal Audit Policy	VOL-POL-GOV-003
4	Management Review & Continual Improvement Policy	VOL-POL-GOV-004
5	Stakeholder Engagement & Materiality Policy	VOL-POL-GOV-005
6	Corporate Social Responsibility (CSR) Policy	VOL-POL-GOV-006
	Section G – Quality & Product Stewardship	
1	Quality Policy	VOL-POL-QMS-001

S. No.	Policy name	Policy no.
2	Customer Safety & Product Stewardship Policy	VOL-POL-QMS-002